# HOUSING AUTHORITY OF BALTIMORE CITY

# MOVING TO WORK ANNUAL REPORT FISCAL YEAR 2009 (MTW Year 4)

## Housing Authority of Baltimore City Moving To Work Annual Report Fiscal Year 2009 (MTW Year 4)

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## **Introduction and Overview**

The Housing Authority of Baltimore City (HABC) entered into a new, ten-year Moving To Work Agreement (MTW Agreement) with the US Department of Housing and Urban Development (HUD) effective as of December 24, 2008. Through a previous agreement between HUD and HABC, HABC has been a full participant in the MTW program since 2005.

MTW is a national demonstration program authorized by Congress which provides HABC with the flexibility to waive certain statutes and HUD regulations pertaining to the Public Housing and Housing Choice Voucher (HCV) programs. The MTW statutory objectives include the following:

- 1) Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- 2) Give incentives to families with children whose heads of household are either working, seeking work, or are participating in job training, educational or other programs that assist in obtaining employment and becoming economically self-sufficient; and,
- 3) Increase housing choices for low-income families.

Under the terms of the MTW Agreement between HABC and HUD, HABC is required to prepare and publish an Annual Plan summarizing planned activities and expenditures for the forthcoming fiscal year, as well as an Annual Report summarizing actual activities and expenditures for each completed fiscal year.

## **MTW Annual Report**

This Annual Report describes the activities undertaken by HABC for the Fiscal Year 2009 period July 1, 2008 through June 30, 2009 (MTW Year Four). It includes required information on programs, budgets and initiatives implemented by HABC during Fiscal Year 2009:

- Households Served
- Occupancy Policies
- Housing Stock/Inventory
- Sources and Amounts of Funding
- Uses of Funds
- Capital Planning
- Management Information for Owned/Managed Units
- Management Information for Leased Housing
- Resident Programs
- Information Technology

### **Progress**

Highlights of HABC's progress during fiscal year 2009 included:

**Occupancy**. HABC served a total of 22,998 households as of June 2009. This represents a substantial increase of 1372 additional households served over the Fiscal Year 2008 total. In the public housing program, HABC achieved a 97.8% adjusted occupancy rate for the period.

**Long Term Vacancy Reduction.** In FY 2009 HABC completed phase 3 of its efforts to rehabilitate and reoccupy long-term vacant units. A total of 129 long-term vacant units were completed during the past year. HABC is now commencing an aggressive phase 4 of this initiative to renovate 230-236 additional long-term scattered site units in FY 2010 and 2011. These scattered sites will be funded through the American Recovery and Revitalization Act (ARRA) Formula and Competition programs.

Capital Improvements. HABC invested approximately \$55.56 million in capital improvements at existing public housing sites as part of system-wide upgrade efforts. As described in Table 6-1 of this Report, HABC conducted capital improvement projects at developments throughout the City. In addition to focusing on vacancy reduction, HABC completed 80 additional units certified as UFAS compliant as part of the Bailey Consent Decree. A total of 669 (596 UFAS and 73 Near Compliant) certified units have been completed to date.

Replacement Housing Production. Under the *Neighborhood Reinvestment Program*, HABC continued to work with private development partners and Baltimore neighborhoods to recapitalize the distressed scattered site public housing stock in strengthening neighborhood markets, linking their redevelopment to a larger program of market-rate rental, strategies to address distressed FHA and private inventories, and for-sale production. These efforts are tightly coordinated with other City initiatives administered by Baltimore Housing, the umbrella agency that includes HABC. The public housing component of these projects will result in a permanently affordable rental housing resource in gentrifying neighborhoods, ensuring economic diversity. This program achieves the mixed-finance re-development of existing ACC units. In FY 2009, HABC procured Telesis Corp. to revitalize the Barclay neighborhood through the development of 306 units of mixed-income housing. A total of 134 units will be affordable rental units, including 53 rehabilitated ACC units. Telesis received an allocation of \$1.2 million in Low Income Housing Tax Credits in March 2009.

Under HABC's *New Housing Production Program* for mixed-income, mixed finance development involves the complete transformation of distressed sites. HABC has sponsored or participated in significant mixed-income residential development at several locations across the City, resulting in a variety of housing choices for low-income households in the city. In FY 2009, construction was completed at Orchard Ridge (formerly Claremont/Freedom) on rental phase II, consisting of 72 units, including 30 Project Based Section 8 units. Additionally, construction of 23 units for the first homeownership phase was completed and construction commenced on rental phase III, which will consist of 77 Project Based Section 8 units. Moravia Park, a 100% Project Based Section 8 development for seniors and non-elderly disabled persons, with 60 units, was completed in FY 2009 as well.

As part of the East Baltimore project, Chapel Green, a multifamily development with 63 rental units, was completed in FY 2009. The project includes 20 Project Based Section 8 units. The first two rental components of the East Baltimore project totaling 152 units were completed in FY 2008.

At O'Donnell Heights, HABC procured the firm of Goody Clancy, along with other team members to conduct master planning for the O'Donnell Heights site in FY 2008. In early FY 2009, a steering committee was created that included residents, representatives of community organizations and other stakeholders to assist in planning the future of O'Donnell Heights. Planning for the complete redevelopment of this site, which formerly housed 900 public housing families, is expected to be completed during the first-half of FY 2010.

**Security.** HABC continued to focus on improving public safety and reducing crime. During FY 2009, HABC, in collaboration with the Baltimore City Police Department (BCPD), installed 7 additional CCTV cameras in its mixed population buildings as a prototype in 7 elevators. In addition it is exploring the installation of cameras within various parking lots. Since its inception, HABC has installed 245 interior CCTV cameras at 19 high-rise mixed population buildings and 167 exterior CCTV cameras at to record and monitor criminal activity.

**Rent Collection.** HABC continued its successful efforts to improve rent collections, resulting in a higher than projected rent collection rate of 97.9% for FY 2009.

**Resident Services.** HABC provided an extensive array of self-sufficiency and other services to thousands of residents over the past year. These activities involved all age groups, seniors, people with disabilities and other community residents. Many activities were implemented in concert with HABC's network of local partners.

#### **MTW Benchmarks**

Under the MTW Agreement, HABC established a series of "benchmarks" for each year of the MTW program. The following chart summarizes HABC's progress towards meeting agreed upon benchmarks in FY 2009:

#### MTW Benchmarks for FY 2009

	Baseline (Established	Year 4 (FY 2009)	Year 4 (FY
Benchmark	3/05)	Goal	2009) Actual
Housing Choice Voucher Program (Section 8)			
Housing Choice Vouchers % of Budget Utilization	100%	100%	100%
HQS Enforcement	98%	95%	97.8%
% of precontract HQS passed	100%	100%	100%
Public Housing Program			
% Rent Collected	90%	92%	97.9%
% Units & Systems Inspected	100%	100%	95.3%
Routine Work Orders (completion days)	8.93 days	7.93 days	4.4 days
Emergency Work Orders (completion days)	<24 hours	<24hours	99% at <24
			hours
Adjusted Occupancy Rate	87.7%	94%	97.8%
Economic Self-Sufficiency & Life Enhancement Services			
Residents assisted	800	1,916	2,330
Fiscal Controls			
Amount of Expendable Fund Balance in Operating Reserve	1 month	1 month	3.1 months
Current Ratio	>1.0	>1.0	2.2

**Housing Choice Voucher Program** – HABC met the benchmarks to achieve 100% HCV budget utilization and the percentage of pre-contract passed HQS inspections, and was 2.8% above its benchmark for HQS Enforcement (annual inspection of occupied units). Although HABC's ultimate goal is to perform inspections on all units annually, this has not been possible due to a number of factors:

- HABC's adherence to a higher standard of unit acceptability, leading to a greater number of failed and of follow-up inspections;
- The high number of failed inspections has led to the issuance of a greater number of move vouchers and a concomitant increase in the number of pre move-in inspections required;
- As a result of HABC's Increased Utilization Initiative to increase the number of families participating in the program, there has been a significant increase in the number of pre movein inspections required.

HABC is taking a number of steps to increase the quality and quantity of inspections performed.

**Public Housing Program** – HABC achieved 95.3% inspection of units and systems. See Section VII for an explanation of the variance. HABC exceeded the benchmarks for percentage of rent collection and routine work order turnaround time. HABC also exceeded its adjusted occupancy benchmark, consistent with HABC's asset management strategy.

HABC exceeded the benchmarks for responding to routine maintenance work orders. Due to the reasons discussed in Chapter VII, HABC fell slightly short of the benchmark to complete 100% of emergency work orders within 24 hours. The actual percentage was 99%.

**Economic Self Sufficiency** – HABC significantly exceeded the benchmark for number of residents assisted under the Economic Self-Sufficiency and Life Enhancement services programs.

Fiscal Controls – HABC exceeded the benchmark requirement for operating reserves.

### I. Households Served

This section of the MTW Annual Report provides statistical information on households served and waiting list applicants for HABC's Public Housing and Housing Choice Voucher programs during FY 2009 (MTW Year Four), as compared to FY 2008.

#### **Households Served**

The profile of current households represents a snapshot as of June 2009. As shown in Table 1-1A below, HABC served a total of 22,998 households as of June 2009. Overall, the number of eligible low-income households served by HABC increased by 1384 (6.4%) over the past year.

Table 1-1A Households Served (All Vouchers) \*

			Ju	ın-08					Jι	ın-09			
	PH	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	Total FY Variance
тот осс	10445		11169		21614		10443		12555		22998		
0 BR	1310	12.5%	446	4.0%	1756	8.1%	1207	11.6%	904	7.2%	2111	9.2%	1.1%
1 BR	3585	34.3%	2073	18.6%	5658	26.2%	3550	34.0%	2508	20.0%	6058	26.3%	.1%
2 BR	3105	29.7%	3341	29.9%	6446	29.8%	3189	30.5%	3530	28.1%	6719	29.2%	6%
3 BR	1804	17.3%	4169	37.3%	5973	27.6%	1849	17.7%	4338	34.6%	6187	26.9%	7%
4 BR	493	4.7%	966	8.6%	1459	6.8%	505	4.8%	1060	8.4%	1565	6.8%	0.0%
5 BR	123	1.2%	155	1.4%	278	1.3%	119	1.1%	186	1.5%	305	1.3%	0.0%
6 BR	25	0.2%	19	0.2%	44	0.2%	24	0.2%	29	0.2%	53	0.2%	0.0%

<sup>\*</sup> Excludes Substantial Rehab and New Construction. Includes Thompson tenant and project-based vouchers.

Table 1-1B provides details on households served, excluding Thompson Partial Consent Decree-related vouchers. Over the past year, HABC increased the number of households served in the non-Thompson categories by 1165 (5.7%) for a total of 21,733. This exceeds the 2005 baseline figure of 20,114 for purposes of the MTW Agreement. HABC has exceeded the MTW baseline for households served by 1619 households.

Table 1-1B: Households Served (Excluding Thompson Related Vouchers)\*

			Ju	ın-08					Jı	ın-09			
	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	Total FY Variance
TOT OCC	10445		10123		20568		10443		11290		21733		
0 BR	1310	12.5%	446	4.4%	1756	8.5%	1207	11.6%	904	8.0%	2111	9.7%	1.2%
1 BR	3585	34.3%	2023	20.0%	5608	27.3%	3550	34.0%	2444	21.6%	5994	27.6%	0.3%
2 BR	3105	29.7%	3006	29.7%	6111	29.7%	3189	30.5%	3149	27.9%	6338	29.2%	-0.5%
3 BR	1804	17.3%	3658	36.1%	5462	26.6%	1849	17.7%	3716	32.9%	5565	25.6%	-0.9%
4 BR	493	4.7%	838	8.3%	1331	6.5%	505	4.8%	891	7.9%	1396	6.4%	0.0%
5 BR	123	1.2%	133	1.3%	256	1.2%	119	1.1%	157	1.4%	276	1.3%	0.0%
6 BR	25	0.2%	19	0.2%	44	0.2%	24	0.2%	29	0.3%	53	0.2%	0.0%

<sup>\*</sup> Excludes Substantial Rehab, New Construction and Thompson Tenant and Project Based vouchers

Table 1-1C provides details on households served for Thompson-related vouchers only. Thompson-related utilization increased by 219 households during the past year.

Table 1-1C: Households Served – Thompson Related Vouchers Only

	Jun-08	8	Jun-09		
	Thompson Related Vouchers	% of TOT	Thompson Related Vouchers	% of TOT	Total FY Variance
тот осс	1046		1265		
0 BR	0	0.0%	0	0.0%	0.0%
1 BR	50	4.8%	64	5.1%	.3%
2 BR	335	32.0%	381	30.1%	-1.9%
3 BR	511	48.9%	622	49.2%	.3%
4 BR	128	12.2%	169	13.4%	1.1%
5 BR	22	2.1%	29	2.3%	.2%
6 BR	0	0.0%	0	0.0%	0.0%

#### **Public Housing Occupancy: Explanation of Variance**

HABC exceeded the projected public housing adjusted occupancy rate established in the MTW Annual Plan. The Annual Plan forecasted a rate of 97% as of June 09. The actual rate was 98.7%. The average monthly adjusted occupancy rate was 97.3%. HABC continues to make occupancy a major priority in the allocation of staffing and other resources.

#### Housing Choice Voucher Program (HCVP) Utilization: Explanation of Variance

Including Thompson-related vouchers, the total number of households served under the HCV Program increased by 1,391. While this represents a substantial increase over the FY 08 figures, it was 84 households fewer than projected in the Annual Plan. A more detailed analysis of HCVP utilization is included with Table 8-1.

#### **Household Characteristics**

Tables 1-2 through 1-5 provide an analysis of households served by HABC, comparing data from FY 2008 and FY 2009. The most significant demographic shift in households served continues to be the increase in overall numbers and relative percentages of non-elderly disabled households served - a shift due primarily to implementation of the Bailey Consent Decree and increases to HABC's overall occupancy levels. This group now represents 31.7% of households served. Occupancy by non-elderly disabled households increased by 900 in FY 2009.

Table 1-2: Households Served - Household Types\*

			Ji	un-08					Ju	n-09			
	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	Total FY Variance
Total Households	10445		11169		21614		10443		12555		22998		
Elderly	2873	27.5%	1373	12.3%	4246	19.6%	2695	25.8%	1584	12.6%	4279	18.6%	-1.0%
Non Elderly Disabled	3371	32.3%	3015	27.0%	6386	29.5%	3468	33.2%	3818	30.4%	7286	31.7%	2.2%
Other	4201	40.2%	6781	60.7%	10982	50.8%	4280	41.0%	7153	57.0%	11433	49.7%	-1.1%

<sup>\*</sup> Excludes Substantial Rehab and New Construction. Includes Thompson tenant and project-based vouchers.

Table 1-3 indicates an increase in the total number of households with incomes below 30 percent of the Area Median Income (30% of AMI) served; however, there was no significant change to the overall distribution of incomes across the total households served in FY09.

**Table 1-3: Income Groups\*** 

			Jun-0	8					Jun	-09			
	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	Total FY Variance
Total Occupied Units	10445		11169		21614		10443		12555		22998		
Less than 30% of AMI	9533	91.3%	9881	88.5%	19414	89.8%	9445	90.4%	11006	87.7%	20451	88.9%	9%
30 - 50 % of AMI	767	7.3%	1214	10.9%	1981	9.2%	829	7.9%	1420	11.3%	2249	9.8%	.6%
50 - 80 % of AMI	121	1.2%	71	0.6%	192	0.9%	149	1.4%	125	1.0%	274	1.2%	.3%
Greater than 80% of AMI	24	0.2%	3	0.0%	27	0.1%	20	0.2%	4	0.0%	24	0.1%	0.0%

<sup>\*</sup> Excludes Substantial Rehab and New Construction. Includes Thompson tenant and project-based vouchers.

As shown in Table 1-4 below, the composition of households served by race has remained substantially constant.

Table 1-4: Households Served - Race\*

			Ju	n-08					Ju	n-09			
	PH	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	PH	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	Total FY Variance
Households	10445		11169		21614		10443		12555		22998		
African American	9950	95.3%	10555	94.5%	20505	94.9%	9979	95.6%	11792	93.9%	21771	94.7%	2%
White	266	2.5%	555	5.0%	821	3.8%	248	2.4%	697	5.6%	945	4.1%	.3%
American Indian	80	0.8%	23	0.2%	103	0.5%	75	0.7%	22	0.2%	97	0.4%	1%
Asian	122	1.2%	8	0.1%	130	0.6%	112	1.1%	10	0.1%	122	0.5%	1%
Native Hawaiian	9	0.1%	6	0.1%	15	0.1%	15	0.1%	10	0.1%	25	0.1%	0.0%
No Race Code	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0.0%
Multi Race Code	18	0.2%	22	0.2%	40	0.2%	14	0.1%	24	0.2%	38	0.2%	0.0%

<sup>\*</sup> Excludes Substantial Rehab and New Construction. Includes Thompson tenant and project-based vouchers.

Similarly, Table 1-5 indicates no significant change in the ethnic composition of HABC residents.

Table 1-5: Households Served -Ethnicity\*

			Ju	n-08					Jun-	09			
	PH	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	Total FY Variance
Households	10445		11169		21614		10443		12555		22998		
Hispanic	39	0.4%	70	0.6%	109	0.5%	47	0.5%	80	0.6%	127	0.6%	.1%
Non Hispanic	10406	99.6%	11099	99.4%	21505	99.5%	10396	99.5%	12475	99.4%	22871	99.4%	1%
No Ethnicity	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0.0%

<sup>\*</sup> Excludes Substantial Rehab and New Construction. Includes Thompson tenant and project-based vouchers.

### **Waiting List**

As shown in Tables 1-6 through 1-10 HABC's waiting list numbers declined slightly over the past year, reflecting the fact that the HCVP Waiting List was closed during this period. From June 2008 through June 2009, the total number of active applicants on the HCVP waiting list decreased by 1,698. This change is a result of HABC's efforts to increase utilization. There were no significant changes in waiting list demographics.

Table 1-6: Waiting List by Bedroom Size: June 2008 vs. June 2009

				Jun-	-08							Jun-	.09				
BR	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	Total FY Variance
	15,083		11,549		4,846		31,478		15,193		11,485		3,012		29,690		
No BR sp	0	0.0%	0	0.0%	0	0.0%	0	0.0%	4	0.0%	1	0.0%	0	0.0%	5	0.0%	0.0%
0	22	0.1%	168	1.5%	48	1.0%	238	0.8%	33	0.2%	170	1.5%	34	1.1%	237	0.8%	0.6%
1	6,610	43.8%	6,710	58.1%	2,349	48.5%	15,669	49.8%	7,995	52.6%	5,381	46.9%	1,483	49.2%	14,859	50.0%	-2.6%
2	5,447	36.1%	2,932	25.4%	1,411	29.1%	9,790	31.1%	4,540	29.9%	3,580	31.2%	857	28.5%	8,977	30.2%	0.4%
3	2,584	17.1%	1,409	12.2%	879	18.1%	4,872	15.5%	2,291	15.1%	1,899	16.5%	546	18.1%	4,736	16.0%	0.9%
4	380	2.5%	284	2.5%	136	2.8%	800	2.5%	275	1.8%	390	3.4%	79	2.6%	744	2.5%	0.7%
5	36	0.2%	40	0.3%	21	0.4%	97	0.3%	51	0.3%	58	0.5%	12	0.4%	121	0.4%	0.1%
6	4	0.0%	5	0.0%	1	0.0%	10	0.0%	4	0.0%	5	0.0%	0	0.0%	9	0.0%	0.0%
7	0	0.0%	1	0.0%	1	0.0%	2	0.0%	0	0.0%	1	0.0%	1	0.0%	2	0.0%	0.0%

Table 1-7: Waiting List by Household Type

				Jun	1-08							Jun-(	)9				
НН ТҮРЕ	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	Total FY Variance
	15,083		11,549		4,846		31,478		15,193		11,485		3,012		29,690		
Elderly	790	5.2%	950	8.2%	143	3.0%	1,883	6.0%	471	3.1%	905	7.9%	104	3.5%	1,480	5.0%	-1.0%
Non elderly Disabled	3,869	25.7%	6,866	59.5%	3,059	63.1%	13,794	43.8%	3,232	21.3%	6,194	53.9%	2,213	73.5%	11,639	39.2%	-4.6%
Other	10,424	69.1%	3,733	32.3%	1,644	33.9%	15,801	50.2%	11,490	75.6%	4,386	38.2%	695	23.1%	16,571	55.8%	5.6%

Table 1-8: Waiting List by Area Median Income Group

				Jun-	08							Ju	ın-09				
INCOME	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	Total FY Variance
	15,083		11,549		4,846		31,478		15,193		11,485		3,012		29,690		
Below 30%	14,522	96.3%	11,026	95.5%	4,639	95.7%	30,187	95.9%	14,463	95.2%	10,658	92.8%	2,836	94.2%	27,957	94.2%	-1.7%
30% to 50%	514	3.4%	486	4.2%	185	3.8%	1,185	3.8%	655	4.3%	756	6.6%	161	5.3%	1,572	5.3%	1.5%
50% to 80%	39	0.3%	33	0.3%	20	0.4%	92	0.3%	64	0.4%	66	0.6%	15	0.5%	145	0.5%	0.2%
Over 80%	8	0.1%	4	0.0%	2	0.0%	14	0.0%	11	0.1%	5	0.0%	0	0.0%	16	0.1%	0.0%

**Table 1-9: Waiting List by Race** 

		Jun-08						Jun-09									
RACE	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	Total FY Variance
	15,083		11,549		4,846		31,478		15,193		11,485		3,012		29,690		
No Race Code	59	0.4%	4	0.0%	2	0.0%	65	0.2%	42	0.3%	4	0.0%	0	0.0%	46	0.2%	-0.1%
White	655	4.3%	800	6.9%	258	5.3%	1,713	5.4%	643	4.2%	725	6.3%	191	6.3%	1,559	5.3%	1.0%
African American	14,178	94.0%	10,633	92.1%	4,508	93.0%	29,319	93.1%	14,319	94.2%	10,636	92.6%	2,748	91.2%	27,703	93.3%	-0.9%
American Indian	36	0.2%	38	0.3%	29	0.6%	103	0.3%	49	0.3%	38	0.3%	17	0.6%	104	0.4%	0.0%
Asian	64	0.4%	31	0.3%	25	0.5%	120	0.4%	51	0.3%	34	0.3%	28	0.9%	113	0.4%	0.0%
Native Hawaiian	91	0.6%	43	0.4%	24	0.5%	158	0.5%	89	0.6%	48	0.4%	28	0.9%	165	0.6%	0.0%

**Table 1-10: Waiting List by Ethnicity** 

		Jun-08					Jun-09										
ETHNICITY	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	PH Only	% of Total	HCVP Only	% of Total	Both	% of Total	Total	% of Total	Total FY Variance
	15,083		11,549		4,846		31,478		15,193		11,485		3,012		29,690		
No Ethnicity	4	0.0%	2	0.0%	0	0.0%	6	0.0%	8	0.1%	1	0.0%	0	0.0%	9	0.0%	0.0%
Hispanic	60	0.4%	185	1.6%	54	1.1%	299	0.9%	66	0.4%	140	1.2%	40	1.3%	246	0.8%	-0.1%
Non Hispanic	15,019	99.6%	11,362	98.4%	4,792	98.9%	31,173	99.0%	15,119	99.5%	11,344	98.8%	2,972	98.7%	29,435	99.1%	0.1%

## **II.** Occupancy Policies

### **Housing Choice Voucher Program**

In FY07, the Housing Choice Voucher Program developed and implemented its planned two-year recertification initiative. As of June 30, 2009, 100% of all tenant-based accounts have been re-certified within two years of their last certification effective date.

By expanding the recertification schedule from one to two years, HABC staff has had the opportunity to increase the quality and standards of recertifications performed, thus reducing the potential for errors and omissions. HABC continues to implement safeguards to ensure that changes in family composition and/or income are captured between recertifications and that appropriate adjustments to tenant rent share and housing assistance payments occur in a timely manner.

### **Public Housing Program**

As more fully described in the MTW Annual Plan for FY 2010, HABC intends to implement two-year recertifications for households on fixed incomes during the coming year.

## **III. Housing Stock**

HABC's existing inventory includes a total of 11,970 public housing units (including privately managed sites) and 12,555 Housing Choice Voucher program units as indicated in Table 3-1 below.

**Table 3-1: Housing Inventory\*** 

			Jun	1-08			Jun-09						
	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	РН	% of TOT	HCVP	% of TOT	TOTAL	% of TOT	Total FY Variance
TOT Units	12,463		10,123		22,586		11,970		12,555		24,525		
0 BR	1,338	10.7%	446	4.4%	1,784	7.9%	1,337	11.2%	904	7.2%	2,241	9.1%	1.2%
1 BR	3,981	31.9%	2,023	20.0%	6,004	26.6%	3,853	32.2%	2508	20.0%	6,361	25.9%	-0.6%
2 BR	3,637	29.2%	3,006	29.7%	6,643	29.4%	3,502	29.3%	3530	28.1%	7,032	28.7%	-0.7%
3 BR	2,362	19.0%	3,658	36.1%	6,020	26.7%	2,223	18.6%	4338	34.6%	6,561	26.7%	0.1%
4 BR	831	6.7%	838	8.3%	1,669	7.4%	768	6.4%	1060	8.4%	1,828	7.5%	0.1%
5 BR	262	2.1%	133	1.3%	395	1.7%	239	2.0%	186	1.5%	425	1.7%	0.0%
6 BR	52	0.4%	19	0.2%	71	0.3%	48	0.4%	29	0.2%	77	0.3%	0.0%

<sup>\*</sup>Excludes Substantial Rehab and New Construction. FY09 includes Thompson tenant and project-based vouchers.

### **Public Housing Inventory**

HABC's public housing inventory consists of 11,970 units, 10,443 of which are occupied, and 1,527 of which are currently vacant. The reduction in units from 2008 to 2009 is due to reconfiguration of units to create UFAS units, the reduction of nonviable units through demolition (see Table 3-3 below) and increases in mixed-finance development of privately managed units (see Table 3-2 below).

The following accounts for the 1,527 vacant public housing units:

- 20 are non-dwelling units.
- 396 are currently under or identified for contract vacancy renovation/modernization.
- 15 are under contract for UFAS renovations (some of these units will be combined to create an accessible unit).
- 142 vacant units are scheduled for vacancy turnaround by staff for re-occupancy
- 866 units scheduled for demolition are currently vacant, as follows:
  - 149 units at Claremont Homes Extension. Relocation of remaining households, 3, will commence in FY10 to complete redevelopment of site.
  - The remaining 717 vacant units are in the scattered-sites program and are discussed further below.

Units created through mixed finance development in FY09 are shown on Table 3-2:

**Table 3-2 Mixed Finance Unit Production** 

			FY 20				
Project Name	Total Planned Affordable Units	Previously Created Affordable Units	ACC Units	PBS8 Units	Other Affordable Units	Total	Remaining Affordable Units to be Created
58 Unit Homes for America Project	58	7	12	0	0	12	39
22 Thompson	22	0	0	0	0	0	22
Barclay	134	0	0	0	0	0	134
Orchard Ridge Rental I *	80	80	0	0	0	0	0
Orchard Ridge Rental II	57	0	0	30	27	57	0
Orchard Ridge Rental III	77	0	0	0	0	0	77
Total	428	<b>87</b>	12	30	27	69	272

<sup>\*</sup>Some projects have Project Based Section 8 units that overlap with LIHTC only units.

Changes to inventory as a result of demolition/disposition are shown on Table 3-3:

Table 3-3 Demolition/Disposition Changes

Project Name	<b>Projected Units</b>	Status
O'Donnell Heights	498	Approved by HUD. Completed 1st Q of FY 2009.
Barclay	134	95% of disposition Approved by HUD. Awaiting transfer to developer.
502-504 E. North Avenue	2	Disposition Approved by HUD
Poppleton Redevelopment	4	Disposition of units approved by HUD. Disposition of vacant lots in process.
Poppleton Coop Redevelopment	10	Disposition Approved by HUD. Developer working on closing.
Westport Homes Ext.	232	Approved by HUD - Demolition Completed
Somerset Homes	257	Demolition Approved by HUD Demolition Activities 99% Complete
Claremont Homes Extension		Application submitted, Approved by HUD
(Demolition/Disposition)	152	
TOTAL	1,289	

In the scattered-sites program, 1,248 units are currently vacant or have been demolished. HABC is developing a redevelopment plan for a portion of the vacant units, however the majority of these units are in a severe state of disrepair and would exceed mandated cost limits to rehabilitate. As such, HABC will dispose of a large percentage of these based on an evaluation of

the viability of the units and the neighborhoods where they are located. The properties are in the process of being dispositioned to the City for demolition, re-development, or land banking.

## IV. Sources and Amounts of Funding

This section of the MTW Annual Report provides details on actual funding sources for FY 2009, including a description of variances as appropriate from the projected funding sources identified in the MTW Annual Plan. HABC's FY 2009 covers the period from July 1, 2008 through June 30, 2009. The financial plan includes two major components – Moving-to-Work (MTW) and non-MTW. The MTW Block Grant includes three major funding sources:

- Low Income Public Housing (LIPH)
- Section 8 Housing Choice Voucher (HCV)
- Capital Fund Program (CFP) / Replacement Housing Factor Fund (RHFF)

Programs that are not included in the MTW Block Grant include the following funding sources:

- Section 8 Moderate Rehabilitation
- Section 8 Substantial Rehabilitation
- Section 8 New Construction
- City of Baltimore Affordable Housing Program
- City of Baltimore Housing and Community Development (HCD) pass-through reimbursable expenses
- Upfront Grant
- Hope VI Grant
- Development Activities
- Various Resident Services Grants
- Business Activities

## A. All Sources and Amounts of Funding Included in the MTW Budget

Table 4-1 FY 2009 Planned vs. Actual Funding Amounts - MTW

<u>UNAUDITED</u>	Budget	<u>Actual</u>	<u>Variance</u>
Dwelling Rental Income	\$ 28,349,990	\$ 29,051,533	\$ 701,543
Other Tenant Income	508,355	369,606	(138,749)
Public Housing Subsidies	63,664,876	71,187,395	7,522,519
Capital Fund/RHFF Block Grant	43,357,699	30,452,943	(12,904,756)
Section 8 Housing Choice Voucher	107,400,900	125,365,791	17,964,891
Section 8 HCV Project Reserves	17,443,298	4,140,803	(13,302,495)
Other Income	941,736	2,195,959	1,254,223
Investment Income	2,491,919	457,638	(2,034,281)
Total Consolidated MTW Revenue *	\$ 264,158,773	\$ 263,221,668	\$ (937,105)

<sup>\* &</sup>quot;Total Consolidated MTW Revenue" as reported in Table 4-1 above excludes the "Loss on sale of fixed assets" in the amount of \$8,337,374. These losses are recognized as a result of demolitions of Westport Homes Extension, Somerset Homes and the sale of Scattered Sites units. These losses reduce "Total Revenue" as reported in the Financial Data Schedule (FDS).

#### Narrative discussions/explanation of difference:

- 1. Actual Dwelling Rental Income exceeded budget as a result of increased occupancy at 98.7% at the end of the fiscal year, along with a higher than projected rent collection rate of 97.93%. Rent collection exceeded 99% during the second half of the fiscal year.
- 2. Actual Operating Subsidies exceeded budget because of a higher funding proration factor than planned. Public Housing Subsidies were budgeted at an estimated 84% proration, which was the same funding level as FY 2008. The actual operating subsidies received from HUD were about 91% for the fiscal year ending June 30, 2009. Despite the slight increased funding proration in FY 2009, HABC suffered a funding loss of over \$7 million for the fiscal year ending June 30, 2009 and over \$12 million for the fiscal year ending June 30, 2008.
- 3. Actual Capital Fund Program (CFP) and Replacement Housing Factor Fund (RHFF) revenues were below budget because various capital improvements and redevelopment projects, i.e., 504 handicap accessibility modifications and site improvements in various public housing sites, acquisitions of the Broadway units, neighborhood revitalization of Preston Street, were delayed. Table 6-1 MTW Capital Spending Plan lists the detail of these capital improvement activities. The projected CFP and RHFF revenues were not drawn to pay for these construction costs. HABC experienced unforeseen delays and latent conditions in some planned construction and demolition activities. These activities will be planned and carried out during FY 2010.
- 4. Actual Section 8 Housing Choice Voucher (HCV) funding from HUD exceeded budget in FY 2009. The increase is as a result of the revised MTW Agreement dated December 24, 2008 to accommodate the increased funding needs of the Thompson consent decree vouchers.
- 5. Actual revenue withdrawn from the Section 8 HCV Project Reserves was lower than budgeted because of the increased Housing Assistance Payment (HAP) funding for the Thompson consent decree vouchers as discussed above. The extent to which HABC was required to use Section 8 HCV Project Reserves to pay for Thompson-related HAPs was minimized. The actual amounts to be withdrawn from these Reserves were primarily for the mobility counseling costs and for the funding discrepancy between the actual and funded amounts of the Thompson HAPs.
- 6. Other Income exceeded budget due to additional incomes generated at the privately managed sites for interests recognized on Notes Receivables from the previous mixed-financing transactions.

7. Investment Income was below budget due to much lower interest rates earned from the banking institutions.

## B. Sources and Amounts of Special Purpose Funds Outside the MTW Budget

**Table 4-2 FY 2009 Planned vs. Actual Funding Amounts – Non-MTW** 

<u>UNAUDITED</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
S/8 Mod & Sub Rehab, New Construction	\$ 7,250,544	\$ 7,613,035	\$ 362,491
Energy Performance Contract	5,902,500	-	(5,902,500)
City of Baltimore - Capital Improvements Prog	12,550,430	8,918,823	(3,631,607)
City of Baltimore - HCD pass thru Expenses	12,127,083	14,496,579	2,369,496
HOPE VI	850,000	840,885	(9,115)
Up front Grant	1,091,262	547,145	(544,117)
Resident Services Grants	3,936,095	3,965,229	29,134
Business Activities	2,553,129	3,320,882	767,753
Special Purpose Funds outside MTW	\$ 46,261,043	\$ 39,702,578	\$ (6,558,465)

#### Narrative discussions/explanation of difference:

The Special Purpose Funds outside the MTW block grant during FY 2009 was below budget for the following reasons:

- 1. Section 8 Mod & Sub Rehab, New Construction revenue exceeded the budget. No properties were transferred during the year and the increase was due to the Annual Adjustment Factor applied to the administrative fees.
- 2. Revenue from the Energy Performance Contract (EPC) did not take place due to delays in the implementation of the project as a result of funding negotiation with HUD.
- 3. The City of Baltimore's Capital Improvements Programs Fund was below budget primarily due to delays associated with various development initiatives. The Barclay redevelopment and the Thompson 22 Units began during FY 2009 and are planned to be completed by the end of FY 2010.
- 4. Actual revenue for reimbursements of the HCD pass through expenses from the City of Baltimore exceeded budget in FY 2009. HABC completed the conversion of contractual positions to the City. However, the actual contractual positions exceeded

- the planned amount. HABC receives instantaneous reimbursement from the City for these contractual positions as pass through expenses.
- 5. The HOPE IV revenue was recognized for the homeownership of the Thompson partial consent decree program and other pre-planning redevelopment work.
- 6. The HUD Upfront Grant revenue was recognized for the redevelopment of new subsidized rental units at Orchard Ridge. The actual expenses were lower than the budgeted amount due to delays in the project.
- 7. Resident Services Grants were slightly above budget mostly due to the receipt of two new grants which were not budgeted for. These grants were the Network Neighborhood Grant (number three) and a Homeownership Grant.
- 8. The Business Activity revenue exceeded budget due to increased revenue recognized by HABC's forced account construction company. In addition, HABC's affordable housing units operated by Alternative Management Entities (AME) also generated more revenues than anticipated.

#### C. Consolidated Financial Statement

Table 4-3 Consolidated Financial Statement for FY 2009

<u>UNAUDITED</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>		
Consolidated MTW Revenue	\$ 264,158,773	\$ 263,221,668	\$ (937,105)		
Special Purpose Funds outside MTW	46,261,044	39,702,578	(6,558,466)		
Total Revenues	\$ 310,419,817	\$ 302,924,246	\$ (7,495,571)		

# V. Uses of Funding

This section outlines HABC's actual uses of funds for Moving-to-Work (MTW) and Non-MTW activities for FY 2009 including a description where appropriate of variances from the projected uses described in the MTW Annual Plan. HABC's actual uses of funds were a total of \$291,484,008 for the fiscal year ending June 30, 2009 as discussed below.

## A. Budget vs. Actual Expenditures - MTW / Non-MTW

Table 5-1 FY 2009 Budgeted vs. Actual Expenditures by Line Items

<u>UNAUDITED</u>	<b>Budget</b>	<u>Actual</u>	<u>Variance</u>		
Administrative and Housing Management	\$ 44,589,240	\$ 46,534,454	\$ 1,945,214		
Tenant Services *	6,268,494	7,001,063	732,569		
Utilities	29,433,011	26,858,076	(2,574,935)		
Maintenance Operations	53,167,975	48,111,029	(5,056,946)		
Protective Services	2,962,621	3,027,589	64,968		
General Expenses and Casualty Losses	12,128,171	8,680,958	(3,447,213)		
Debt Service Repayment	6,517,069	6,518,629	1,560		
Housing Assistance Payments	107,096,797	109,406,453	2,309,656		
Construction (Hard) Costs	66,346,397	35,345,757	(31,000,640)		
Total Actual Uses of Fund	\$ 328,509,775	\$ 291,484,008	\$ (37,025,767)		

#### Narrative/Explanation of Difference

- 1. Administrative and Housing Management include salaries and benefits for administrative staff and housing management staff in all programs. Also included are administrative operating expenses such as office rent, telephone, computer materials and contracts, postage, supplies and the HCD pass through expenses reimbursed instantaneously by the City of Baltimore. The variance in actual costs was primarily due to the actual number of HCD contractual positions exceeding the number budgeted. HABC receives instantaneous reimbursements from the City of Baltimore on these pass through expenses.
- 2. Tenant Services includes salaries, benefits, related materials and supplies used to support tenant councils and the Resident Advisory Board, and to provide direct services to residents of public housing. The Tenant Services expenditures exceeded the budgeted amounts due to two unanticipated and not budgeted for additional grants (Network Neighborhood Grant number three and a Homeownership Grant) received

- during FY 2009. As a result of these additional grants, HABC incurred additional expenses in this category.
- 3. Utilities include expenses for water, electricity, gas, steam and fuel consumption. Actual utility rates for gas were lower than budget due to successful procurement for competitive gas prices. There were also decreases in consumption of electric, oil, and steam resulting from close monitoring of the utility bills and replacement of energy efficient devices, along with a reduction in the number of public housing units as a result of demolition and disposition activities.
- 4. Maintenance Operations include salaries and benefits of ordinary maintenance workers assigned to public housing units. It includes ordinary maintenance materials and ordinary maintenance contracts. This category includes outside contract costs to privatized firms who operate some of HABC's public housing and affordable housing units, as well as City funded project costs that are not capitalized. Actual expenditures were below budget primarily due to delays of the City funded projects for Barclay and the Thompson 22 units. Additionally, maintenance contracts for the public housing units were monitored closely to achieve a lower than budgeted amount for FY 2009.
- 5. Protective Services include salaries, benefits and other related costs of building monitors assigned to public housing developments. The small variance over budget is a result of additional approved overtime services being provided to ensure safety at various housing sites.
- 6. General Expenses and Casualty Losses (non-capitalized) include insurance premiums for General Liability, Worker's Compensation, automobile, etc. This category also includes collection losses for uncollected rent, extraordinary maintenance and deductible amounts not covered by the insurance carriers for casualty losses incurred by HABC. Additionally, to comply with GASB Statement No. 45, this category also includes the Other Post Employment Benefit (OPEB) expenses. Except for the OPEB expenses, all of the aforementioned expenses were under budget as a result of careful scrutiny and monitoring of operating budgets.
- 7. Debt Service Repayment is funded out of HABC's Capital Fund Program to repay loan proceeds from the sale of bonds issued by the State of Maryland. HABC used these loan proceeds to accelerate many capital improvement activities in the previous fiscal years.
- 8. Housing Assistance Payments include rent subsidies paid to landlords and utility assistance paid to tenants by the Section 8 programs. The increase in this category is due to the increased number of vouchers leased from the HCV and Thompson consent decree units. See utilization discussion in Sections I and VIII of this Report. Additionally, there was an increase in the average Housing Assistance Payment per voucher.

9. Construction (Hard) Costs include activities planned for development, handicap accessibility modifications, vacancy renovation, systems replacement, security systems, demolition costs of units, etc. Spending targets were below budget due to delays associated with various capital improvements and development initiatives (real estate closings for the Thompson 22 Units, Barclay neighborhood revitalization, Preston Street revitalization) and the EPC contract. Detail of these capital improvement projects are provided in Section VI.

## VI. Capital Planning

This section provides an update to the planned activities described in HABC's FY 2009 Annual Plan to reflect actual performance through June 30, 2009. Please refer to the narrative and chart below for specific information on planned vs. actual funding amounts and a discussion and explanation of the variances.

### MTW Capital Plan – FY 2009

The MTW 2009 actual capital spending detail is included below in Table 6-1. HABC expended \$55.56 million in capital program activities during the period. The primary focus of capital improvement activities included: preparation of UFAS units related to the Bailey Consent decree; security and safety system upgrades, marketability improvements, major system and infrastructure improvements, long term vacancy reduction, demolition of distressed housing developments and creation of economically diverse stable neighborhoods.

HABC spending was significantly less than projected primarily due to delay in the implementation of an Energy Performance Contract (EPC), real estate closings for the 22 Thompson Unit Project, Barclay Neighborhood Revitalization, Preston Street Revitalization, and unforeseen construction delays.

## **Replacement Housing Production**

Under the *Neighborhood Reinvestment Program*, HABC has been working with private development partners and Baltimore neighborhoods to recapitalize the distressed scattered site public housing stock to strengthen neighborhood markets, linking their redevelopment to a larger program of market-rate rental and for-sale production. The public housing component of these projects will result in permanently affordable rental housing in gentrifying neighborhoods, and ensuring economic diversity. This program achieves the mixed-finance re-development of existing ACC units. In FY 2009, HABC and its partners have

- HABC procured Telesis Corp. to revitalize the Barclay neighborhood through the development of 306 units of mixed-income housing. A total of 134 units will be affordable rental units, including 53 rehabilitated ACC units. Telesis received an allocation of \$1.2 million in Low Income Housing Tax Credits in March 2009. Telesis is completing its design and financing. Construction is expected to begin in early 2010;
- HABC did not begin planning for the redevelopment of scattered site units in the Greenmount West area of the City nor did the City begin a broader effort in the area. Other funding and development priorities took precedence over the Greenmount West project, which may begin in FY 2010.

HABC's New Housing Production Program for mixed-income, mixed finance development involves the complete transformation of distressed sites. In fiscal year 2009, HABC has sponsored or participated in significant mixed-income residential development at several locations across the City, resulting in a variety of housing choices for low-income households in the city.

- **Uplands** In FY 2009 the City worked with Uplands Visionaries, the selected private development partner, to implement the completed master development plan. The project budget has been drafted and is being refined. The developer received an allocation of low income housing tax credits and is working to identify other funding sources. The City has completed environmental remediation and demolition on the site, preparing it for mass grading and infrastructure work. An estimated 25% of these units will be provided with Section 8 project-based subsidy. No public housing units are planned for the site.
- Orchard Ridge (formerly Claremont/Freedom) In FY 2009 Construction was completed on rental phase II, which consists of 72 units, including 30 Project Based Section 8 units. Additionally, construction of 23 units for the first homeownership phase was completed and construction commenced on rental phase III, which will consist of 77 Project Based Section 8 units. Moravia Park, a 100% Project Based Section 8 development for seniors and non-elderly disabled persons, with 60 units, was completed in FY 2009 as well.
- East Baltimore The first two rental developments totaling 152 units in the new East Baltimore development were completed in FY 2008. Ashland Commons contains eight Project Based Section 8 units. Chapel Green, a multifamily development with 63 rental units was completed in FY 2009. The project includes 20 Project Based Section 8 units.
- O'Donnell Heights In late FY 2008, HABC procured the firm of Goody Clancy, along with other team members to conduct master planning for the O'Donnell Heights site. In early FY 2009, a steering committee was created that included residents, representatives of community organizations and other stakeholders to assist in planning the future of O'Donnell Heights. Planning for the complete redevelopment of this site, which formerly housed 900 public housing families, is expected to be completed during the first-half of FY 2010. HABC intends to submit a grant application for the 2009 HOPE VI funding round, which is due November 17, 2009, for the redevelopment of a portion of the 62-acre site. HABC has contracted with TAG Associates to assist in the completion of the HOPE VI application.
- Somerset Homes Baltimore City commenced master planning for the larger Old Town Mall area, which includes Somerset Homes, in the fourth quarter of FY 2008. While the planning efforts are still underway, the redevelopment of Somerset Homes into a mixed-income site is likely to be one of the primary recommendations. The existing Somerset units were fully demolished in FY 2009.

### **Thompson Partial Consent Decree Hard Unit Production**

Under the Thompson Partial Consent Decree, HABC is obligated to create a number of different unit types in several different developments. Over the course of FY 2009, HABC has made substantial progress in creating these units.

- **Albemarle Square** –Six of the final 10 units (all affordable homeownership units) have been sold. The remaining four units are substantially still undergoing construction and await Use and Occupancy permits in the first quarter of FY 2010.
- **58 Unit Program** HABC agreed to create 57 off-site units as part of the Broadway Homes HOPE VI development. In addition, HABC decided to create a 58<sup>th</sup> UFAS compliant unit. The following is the status of these units:

#### **FY07:**

♦ 2 units purchased and occupied consisting of one of the 57 units and the UFAS unit

**FY08** (all part of the 57 units):

♦ 5 units purchased and occupied.

#### **FY09**

◆ 23 units purchased of which 12 are occupied.

Combined, as of the end of FY 2009, 18 of the 57 off-site Broadway units were purchased and occupied, and one additional UFAS unit was purchased and occupied. An additional 8 units were purchased and are awaiting occupancy, bringing the total acquired to 27 units.

- Sandtown-Winchester 22 Thompson Units HABC is required by the Thompson Consent Decree to create 22 public housing units in Sandtown-Winchester. Plaintiffs' counsel have expressed their strong preference that the remaining twenty-two (22) units not be created in Sandtown-Winchester. HABC has indicated its willingness to attempt to create units in neighborhoods other than Sandtown-Winchester, with the understanding that the units do not have to be in Non-Impacted Areas, as defined in the Partial Consent Decree, as amended. HABC submitted a request to the State for PRHP funds on August 14, 2008. HABC and the State have been negotiating the issue of whether HABC or a private entity will manage the units, an issue that must be resolved before the State will award the funds.
- **Preston Street** HABC selected Mi Casa, Inc. for turnkey development/rehabilitation of 10 ACC units on Preston Street. Construction began in late FY 2009 and is expected to be completed by the end of FY 2010.

### **504 Accessibility Improvements**

HABC met its FY 2009 requirements under the Bailey Consent Decree for providing public housing choices for low-income persons with disabilities ("UFAS Units"). A total of 80 UFAS Units were completed. Since the beginning of the Bailey Consent Decree, HABC has completed 599 UFAS units and 73 near UFAS compliant units (2 of the 75 required near UFAS compliant units were deferred at the request of the residents). Currently HABC plans to complete an additional 6 units in FY 2010.

### **Long Term Vacancy Reduction**

HABC completed phase 3 of its initiative to renovate long-term vacant units. In FY 2009 HABC renovated 129 such units. Additional units were added to the original plans at several of the family sites, increasing projected spending allocations at some of these sites. Units were located at the Latrobe, McCulloh, Perkins, Mt Winans, Douglass, Gilmor, Cherry Hill, Brooklyn, Rosemont and Dukeland family developments and various scattered sites. HABC is in the process of starting an aggressive phase 4 of this initiative to renovate between 230 to 236 additional long term scattered site units in FY 2010 and 2011. These scattered sites will be funded through the American Recovery and Revitalization Act (ARRA) Formula program.

### Mixed Population Front Door, Entry Card Key and Picture ID Cards

In FY 2007 and 2008 HABC completed both Phase 1 and 2 of its initiative to replace the front entry doors and ID entry card key system at its mixed population buildings and the began this distribution of identification picture cards. In FY 2009, the balance of picture identification cards was distributed to all mixed population residents as well as to new residents.

## **Family Development Playgrounds**

In FY 2009 HABC completed repairs to 10 playgrounds. In FY 2010 HABC expects to fully repair or replace 19 playgrounds.

## **Energy Performance Contracting**

Due to the age of HABC's boilers, roofs, electrical systems and other infrastructure systems, HABC's consumption of energy is high and will continue to increase unless improvements to these systems are implemented. In addition, due to the inefficiencies of these systems and dramatically rising industry energy rates, HABC's energy costs will also increase.

HABC began implementation of a comprehensive energy reduction capital improvement program in order to lower energy and consumption costs. HABC contracted with an ESCO vendor who has completed an EPC Energy Audit. The EPC energy audit identified all building and site components, which if replaced or upgraded will decrease energy consumption. Energy conservation methods that will reduce consumption are also part of the audit findings. The

annual savings from the reduced energy cost will pay for the debt service that is required to fund the capital improvements. HABC is in the process of starting the EPC (Energy Performance Contracting) that involves (i) finalizing energy conservation measures ("ECM"); (ii) securing funds for the energy reduction capital improvements; and (iii) the implementation of the ECMs.

Based upon the energy audit findings and HABC's submittals to HUD in January and February (2007) for approval to enter into a 20 year agreement with an Energy Service Company (ESCo) HABC expected to begin the phase one implementation of ECMs in the third quarter of calendar year 2007. Phase 1 included the installation of ECMs at 5 developments with an approximate \$3,200,000 annual energy reduction. This project was delayed due to HUD's failure to process HABC's request. Approval was received in FY 2009 to proceed with HABC's EPC. HABC will implement this initiative in FY 2010.

### **Infrastructure and Major Projects**

In FY 2009 upgraded the electrical system at Perkins and stabilized the heating problems at both Latrobe and Cherry Hill. Waterproofing and tuck pointing was completed at Brentwood and Allendale. In 2010, HABC expects to complete the waterproofing and tuck-pointing at Wyman, Primrose and Bernard E. Mason. The installation of replacement elevator hoists was completed at Lakeview and Wyman House. Elevator hoists at 6 additional high rise developments will be completed in FY 2010. In FY 2009 all chillers were overhauled.

### **Marketability Projects**

In FY 2009 the replacement of common area tile and the painting of common area hallways was started in all mixed population buildings. This work will be completed in the first half of FY 2010. In FY 2009, sidewalk concrete was completed at Perkins Homes, Bel-Park Tower and the McCulloh High Rise development.

### **Security**

During FY 2009, HABC, in collaboration with the Baltimore City Police Department (BCPD), installed 7 additional CCTV cameras in its mixed population buildings as a prototype in 7 elevators. In addition, it is exploring the installation of cameras within various parking lots. Since its inception, HABC has installed 245 interior CCTV cameras at 19 high-rise mixed population buildings and 167 exterior CCTV cameras to record and monitor criminal activity. In addition to the fixed CCTV cameras, there are 14 PODSS. In FY 2009, HABC renewed its maintenance agreements for all cameras. In addition, HABC's central monitoring location at the PMJ Building (MLK) was closed and all of HABC's family site monitoring is now done at BCPD's CCTV facility.

# **Capital Spending**

Table 6-1 provides detail on planned versus actual capital spending for Fiscal Year 2009. A discussion of variances follows.

	TABLE 6-	1: MTW FY 2009 CAPITAL SPENDING	G PLAN ANNUAL F	REPORT
		Spending Plan	FY	2009
AMP No.	Devel Name	Description of Work	Original MTW Anticipated Spending	Actual MTW Spending
1	Latrobe Homes	504 Modifications, Security Cameras, Plumbing and Sanitary Line Repairs, Vacancy Renovations, Security Lighting, Window Replacement	4,246,935	3,076,886
2	McCulloh Homes	504 Modifications, Security Cameras and Lighting, Site Work, Vacancy Renovations	1,445,564	900,833
3	Perkins Homes	504 Modifications, Security Cameras, Vacancy Renovations, Roof and Gutter Improvements	4,977,844	4,655,097
4	Poe Homes	504 Modifications, Electric Submetering, Security Lighting	268,968	247,975
5	Douglass Homes	504 Modifications, Site Improvements, Security Lighting, Playgrounds	816,258	242,940
6	Gilmor Homes	504 Modifications, Security Cameras, Vacancy Renovations, Door Replacement, Replace Stairs in Stairtowers, Electrical Work	1,120,750	325,300
9	O'Donnell Heights	504 Modifications, Vacancy Renovations, Demolition (498 Units)	921,977	976,443
10	Somerset Court	Demolition Activities	2,182,376	1,883,233
11	Cherry Hill Homes	504 Modifications, Security Improvements, Site Work, Plumbing Repairs, Vacancy Renovations, Playground Safety Improvements, Soffit and Gutter Improvements	1,350,313	299,660
13	Westport Ext.	Demolition Activities	1,137,781	1,128,171
21	Brooklyn Homes	504 Modifications and Site Work	362,843	380,862

	TABLE 6-	1: MTW FY 2009 CAPITAL SPENDING	G PLAN ANNUAL F	REPORT
	ı	Spending Plan	FY	2009
AMP No.	Devel Name	Description of Work	Original MTW Anticipated Spending	Actual MTW Spending
22	Westport Homes and Mt. Winans	504 Modifications, Vacancy Renovations, Security Improvements	1,747,157	1,599,587
23	McCulloh Homes Ext. (HR)	504 Modifications, Floor Tile Installation, Site Work, Chiller Upgrades, Security Cameras, Elevator Improvements	1,180,560	657,814
31	Rosemont/ Dukeland	Vacancy Renovation, Site Work, Roof Replacement, Electrical Work	787,783	84,594
33	Lakeview Tower Ext.	504 Modifications, Elevator Improvements, Site Work, New Shower Installations, Automatic Entry Door and Security Improvements	1,177,975	745,986
39	Claremont Homes Ext	Interior CCTV Cameras - Phase II	12,884	-
41	West Twenty	504 Modifications, Automatic Entry Door and Security Improvements, Elevator Improvements, Lobby Enhancements, Floor Tile and Painting Upgrades	583,574	459,112
42	Somerset Extension	Window Replacement, Site Improvements, Furnace Replacement	353,757	362,151
43	Monument East	504 Modifications, Site Work, Floor Tile and Painting Upgrades, Elevator Improvements, Chiller and Boiler Upgrades, Security Improvements	261,383	229,367
44	Wyman House	504 Modifications, Site Work, Exterior Waterproofing and Tuckpointing, Floor Tile and Painting Upgrades	629,989	388,989
46	Chase House	504 Modifications, Site Work, Floor Tile and Painting Upgrades, Elevator Improvements, Security Improvements, Waterproofing and Tuckpointing	1,701,568	574,054
47	Govans Manor	504 Modifications, Site Work, Floor Tile and Painting Upgrades, Elevator Improvements, Chiller Upgrades, Security Improvements	417,423	99,807

	TABLE 6-2	1: MTW FY 2009 CAPITAL SPENDING	G PLAN ANNUAL R	REPORT
	I	Spending Plan	FY	2009
AMP No.	Devel Name	Description of Work	Original MTW Anticipated Spending	Actual MTW Spending
51	B.E.Mason	504 Modifications, Automatic Entry Door and Security Improvements, Site Work, Chiller Upgrades, Floor Tile and Painting Upgrades, Exterior Waterproofing and Tuckpointing and Window Replacement	1,907,043	229,498
53	Ellerslie	504 Modifications, Security Improvements, Site Work, Floor Tile and Painting Upgrades, Roof Replacement	719,964	550,179
54	Bel-Park Tower	504 Modifications, Site Work, Floor Tile and Painting Upgrades, Chiller and Boiler Upgrades, Security Improvements	560,929	399,469
56	The Brentwood	504 Modifications, Site Work, Floor Tile and Painting Upgrades, Chiller Upgrades, Security Improvements, Exterior Waterproofing and Tuckpointing	881,530	675,573
70	Rosemont Towers	Site Work, Floor Tile and Painting Upgrades	377,438	272,142
71	Primrose Place	Site Work, Floor Tile and Painting Upgrades, Security Improvements, water- proofing, tuck-pointing and windows	1,033,022	40,050
74	Hollins House	Security Improvements, Plumbing Upgrades, Site Work	161,704	56,270
75	Allendale	Elevator Improvements, Exterior Waterproofing and Tuckpointing,	766,612	710,562
101	Arbor Oaks	Physical Accessibility Modifications - UFAS (4 units)	435,000	-
103	Midtown Apartments	504 Modifications	29,863	36,465
104	Montpelier	504 Modifications	251,610	207,725

TABLE 6-1: MTW FY 2009 CAPITAL SPENDING PLAN ANNUAL REPORT						
Spending Plan			FY	FY 2009		
AMP No.	Devel Name	Description of Work	Original MTW Anticipated Spending	Actual MTW Spending		
108	Uptown Apartments	504 Modifications	60,000	-		
110	Pleasant View Gardens	504 Modifications, Security Improvements, Playgrounds	267,170	58,749		
111	Heritage Crossings	Repairs to Flooring and Other Building Repairs	150,654	5,441		
112	Broadway	Reasonable Accommodations	2,393	2,393		
115	Albermarle Square	Affordable Homeownership	510,950	253,606		
117	Reservoir Hill	Neighborhood Revitalization	366,972	10,080		
118	Broadway 58 Units	Acquisition of 57 Dwelling Units and Start of Rehabilitation	2,687,532	-		
119	Sharp- Leadenhall	Neighborhood Revitalization	298,410	1		
120	Preston Street	Neighborhood Revitalization	910,893	-		
121	Barclay	Neighborhood Revitalization	1,488,796	37,852		
123	Thompson (22 Units)	Neighborhood Revitalization	4,697,651	2,978		
200	Scattered Sites	504 Modification, Vacancy Renovations, Roofs	3,490,672	835,095		
201	Scattered Sites	504 Modification, Vacancy Renovations, Roofs	262,551	186,668		
202	Scattered Sites	504 Modification, Vacancy Renovations, Roofs	639,908	430,841		

TABLE 6-1: MTW FY 2009 CAPITAL SPENDING PLAN ANNUAL REPORT						
Spending Plan			FY	FY 2009		
AMP No.	Devel Name	Description of Work	Original MTW Anticipated Spending	Actual MTW Spending		
203	Scattered Sites	504 Modification, Vacancy Renovations, Roofs	1,193,720	1,017,481		
Misc	Central Office	Relocation and Reconfigurations	588	25,433		
927	Orchard Ridge	Neighborhood Revitalization	144,376			
999	Authority- Wide	Non-Elderly Disabled Units	1,000,000	-		
		MTW Hard Costs - Total	52,983,614	25,363,410		
	Housing Operations	Management Improvements	214,246	98,675		
	Resident Services	Resident Services	136,315	5,286		
	Central Office	Staff Training	193,254	330,600		
	Auth-Wide	IT Software and Related IT Services	1,082,326	479,011		
	Auth-Wide	Non-Technical Salaries, Audit and Sundry	2,235,741	2,222,541		
	Auth-Wide	Technical Salaries, A & E, Planning and Environmental	5,652,844	4,959,572		
	Legal	Consultant Fees - Legal	415,800	575,394		
	Auth-Wide	Equipment - Vehicles, Computers, Furniture, etc.	231,755	127,655		
114	Albemarle Square	Neighborhood Revitalization	-	72,265		
117	Reservoir Hill	Neighborhood Revitalization	-	346,972		

TABLE 6-1: MTW FY 2009 CAPITAL SPENDING PLAN ANNUAL REPORT						
Spending Plan		FY 2009				
AMP No.	Devel Name	Description of Work	Original MTW Anticipated Spending	Actual MTW Spending		
118	Broadway 58 Units	Acquisition of 57 Dwelling Units and Start of Rehabilitation	-	4,885,261		
121	Barclay	Neighborhood Revitalization		198,332		
	Relocation	Relocation	364,708	296,013		
	Debt Service	Debt service	6,517,069	6,518,629		
		MTW Soft Costs - Total	17,044,059	21,116,206		
		MTW HARD AND SOFT COST - TOTAL	70,027,672	46,479,616		
1	Latrobe Homes	504 Modifications - Curb Cuts, Vacancy Reduction, Energy Conservation Measures	2,818,052	1,062,445		
2	McCulloh Homes	Vacancy Reduction	1,045,122	983,000		
3	Perkins Homes	504 Modifications - Curb Cuts	688,687	688,687		
6	Gilmor Homes	Vacancy Reduction, Energy Conservation Measures	1,094,530	325,611		
9	O'Donnell Heights	Demolition	16,166	4,610		
11	Cherry Hill Homes	Vacancy Reduction, Energy Conservation Measures	3,238,662	75,299		
14	Claremont Homes	Demolition	810,601	810,601		
21	Brooklyn Homes	Energy Conservation Measures	420,000	-		
22	Westport/ Mt. Winans	Vacancy Reduction and Energy Conservation Measures	168,227	71,577		

	TABLE 6-1: MTW FY 2009 CAPITAL SPENDING PLAN ANNUAL REPORT						
AMP No.	Devel Name	Spending Plan  Description of Work	Original MTW Anticipated Spending	Actual MTW Spending			
31	Rosemont/ Dukeland	Vacancy Reduction	975,000	771,172			
103	Midtown	Vacancy Reduction	435,909	435,909			
108	Uptown	Vacancy Reduction	381,525	516,581			
109	Stricker Str	Vacancy Reduction	301,862	301,862			
111	Heritage Crossing	504 Modifications - Curb Cuts	180,000	91,178			
115	Albermarle Square	Albermarle Square Redevelopment	0	22,953			
200	Scattered Sites	Vacancy Reduction	1,398,638	1,068,152			
201	Scattered Sites	Vacancy Reduction	0	1,555			
202	Scattered Sites	Vacancy Reduction	0	24,252			
203	Scattered Sites	Vacancy Reduction	0	5,749			
N/A	Auth-Wide	Vacancy Reduction	757,662	-			
799	АНІ	Affordable Homeownership	-	789,948			
Auth- Wide	Various	VCT/Paint Installations: Carey House, Lakeview and Ext., Monument East, Allendale, Govans, BE Mason, Ellerslie	730,095	730,095			
Auth- Wide	Auth-Wide	504 Modifications - Curb Cuts	1,346,323	-			
TBD	Hollander Ridge	Replacement Housing	50,000	-			

	TABLE 6-1: MTW FY 2009 CAPITAL SPENDING PLAN ANNUAL REPORT						
Spending Plan			FY 2009				
AMP No.	Devel Name	Description of Work	Original MTW Anticipated Spending	Actual MTW Spending			
	Auth-Wide	A & E Services and Administration	445,868	304,957			
		Non-MTW Total	17,302,929	9,086,192			
		MTW and Non-MTW Capital Grand Total	87,330,601	55,565,808			

#### Narrative Discussion/Explanation of Variances

HABC continues to take advantage of the flexibility of the MTW Block Grant, by utilizing Housing Choice Voucher Funds to expedite long term planned Capital Fund activities and to reduce vacancies. This action increased immediate affordable housing opportunities and improved living conditions resulting in a better quality of life for residents of public housing. Variances in planned activities at many of HABC sites are the result of increases in funding required to meet 504 Consent Decree requirements, increased vacancy renovations, emergency heating improvements and accelerated long term plan activities. Other variances are attributed to a number of factors including delays in: 1) A & E designs; 2) material and parts manufacturing; and 3) EPC contracting. Redevelopment real estate closings also contributed to the variances in planned and actual spending. Some planned activities for FY 2009 were actually completed and expended in FY 2008. Work items planned for FY2009 and not completed will be completed in FY 2010.

Major variances and explanations are grouped below:

- Latrobe Homes and Cherry Hill Homes Funding for emergency repairs to underground infrastructure were not totally utilized. Underground infrastructure will be addressed under the future EPC contract and/or ARRA funds.
- **McCulloh Homes** Actual contract amount was less than expected. Work continues, remaining contract will be completed in FY 2010.
- **Douglass Homes, Sharp-Leadenhall** All planned work is completed. Variances are a result of expenditures being reflected in FY 2008.
- McCulloh Homes Extension Work involving the elevator hoist machine replacement was delayed pending manufacturing issues. Work is scheduled to be completed in FY 2010.

- Lakeview Towers Work continues on bathroom upgrades. Work is scheduled to be completed in FY 2010.
- **Rosemont/Dukeland** Planned work involving the site, roof replacement and electrical upgrades are currently underway and will be completed in FY 2010.
- **Wyman House** Delays occurred in the A & E designs for the waterproofing and tuckpointing project. The construction work is scheduled to be completed in FY 2010.
- Chase House Waterproofing and tuckpointing repairs were originally planned but have been reprioritized. The funds for this project will be utilized for waterproofing and tuckpointing at other mixed population buildings with a greater need. Pending availability of funds, this project will be revisited in the future.
- **Govans Manor** Contracts were recently awarded for electrical upgrades and common area window replacements. Work is scheduled to be completed in FY 2010.
- **Bernard E Mason Sr. Apartments and Primrose** Planned activities involving waterproofing and tuckpointing and window replacement are under design and will be completed in FY 2010.
- Arbor Oaks, Uptown Apartments, Pleasant View Gardens, Heritage Crossing, Scattered Sites 504 modifications are currently being designed. Projects will be completed in FY 2010.
- **Broadway 58 Units** Acquisition of units has accelerated. Project continues to move towards completion. Also, this activity was original reported as a hard cost but has been reclassified as a soft cost based on appropriate accounting principals.
- **Preston Street** Construction delays occurred. Project is scheduled to be completed in FY 2010.
- **Barclay and Thompson 22 Units** Real Estate closings have been delayed. Projects are scheduled to close in FY 2010.
- Scattered Sites Some planned activities were completed in FY 08 and others will be completed in FY 10. Work continues to renovate scattered site vacant units throughout the inventory.
- Orchard Ridge and Sharp-Leadenhall All work is completed. Variances are a result of expenditures that actually occurred in FY 2008.
- **Non-Elderly Disabled Units** HABC received no responses to its original RFP for project based vouchers associated with providing units for non-elderly residents with

disabilities. The RFP was re-issued in May of 2009. HABC expects to modify the RFP on a regular basis as market conditions change and feed back is received from developers.

- **Energy Conservation Measures** Energy Performance Contracts were delayed pending HUD approval resulting in the variances in Non-MTW funding.
- Curb Cuts The City of Baltimore is working with HABC to modify city curb cuts adjacent to HABC properties. Design issues resulted in delays; work continues and will be completed in FY 2010.
- **Soft Costs** Some soft cost activities originally planned for MTW Capital Spending were moved to the Operating Budget and consultant fees were less than anticipated.

## VII. Managed Information: Owned Housing

The following is a description of major activities and accomplishments for FY 2009 related to the public housing program.

#### **Vacancies**

HABC's adjusted occupancy rate as of June 30, 2009, was 97.8%. This achievement represents an occupancy rate 1.8% higher than the benchmark established in the MTW Agreement and 0.8% higher than projected in the MTW Annual Plan for FY 2009. The adjusted occupancy rate was a significant achievement due in large part to the cumulative (and synergistic) impacts of some key decisions and strategies, including:

- **Staff Training.** HABC has continued to invest in staff training to ensure that staff have the skills needed to do vacancy renovations effectively and efficiently. Training programs have been reworked so that the skills learned are aligned with skills needed in vacancy renovations.
- **Decentralization of Rapid Vacancy Team (RVT).** The decentralization of the RVT in 2008 has had positive effects. Despite the allocation of the staff of the RVT to family sites only, the mixed-population high rises had an average annual occupancy rate of 98.5%.
- **Site-Based Management.** Continued allocation of one manager and maintenance supervisor per high rise for buildings over 100 units has helped managers and their maintenance supervisors focus on the needs of their buildings, especially vacancies.
- Overtime Vacancy Teams. When needed, HABC continues to use trained staff to do vacancy renovations on overtime as a more cost-effective alternative to outsourcing.

HABC believes that the MTW Demonstration has been particularly effective in the reduction of vacancies while improving in all other performance areas. During FY2009, HABC did not rely on funding flexibility to support public housing operations. However, without prior years' investment of HAP funds, public housing vacancy rates would still be unacceptably high.

Significant achievements in FY2009 include:

- Three high rises with vacancy rates averaging less than 1%.
- Two large family sites (Douglass Homes and Perkins Homes) with vacancy rates averaging less than 2%.
- Cherry Hill (approximately 1,300 units) had an average vacancy rate less then 3%.

#### **Work Orders/Customer Service**

HABC continues to make customer service a high priority through improved systems to monitor and improve customer service. A Work Order Call Center together with an emergency service desk operates 24 hours a day, 7 days a week to accept maintenance service requests.

Daily reports reviewed by portfolio directors, managers, and maintenance supervisors ensure that work orders are assigned and completed in a timely manner. Routine work orders were completed in an average of fewer than 4.4 days (compared to the 7.43 days projected).

HABC did not reach its goal of 100% timeliness on emergency work orders for the entire year; however, 99% were abated or completed within 24 hours. Improved daily monitoring of emergency work orders have resulted in 100% of emergencies being completed in the second half of the fiscal year.

Weekly customer service surveys indicate an improvement in resident satisfaction with maintenance services. A minimum of 75 phone surveys is completed every week to inquire about work orders performed during the previous week. Monthly averages indicate that 90% of residents are satisfied with the timeliness, professionalism, quality, and communication of the maintenance staff and their work.

#### Inspections

HABC completed 100% of system inspections and 95.3% of unit inspections during FY2009. In preparation for REAC inspections during FY2009, a decision was made to attempt completion of 100% of all unit inspections prior to the onset of the REAC inspections. This resulted in site managers and supervisors rushing to complete unit inspections without updating computer records. The 95.3% completion reflects computerized records despite some sites having hard copy records of 100% of their inspections. At the time of submission of this report, not all inspections records had been updated in HABC's MIS, hence the lower than 100% inspection report. HABC will develop more reliable tracking of annual inspections in order to ensure completion of inspection of 100% of its units.

#### **Rent Collection**

HABC's rent collection rate in FY2009 was 97.9%, exceeding the 96% projected by almost 2%. As a result of higher rent collection rates and higher occupancy, actual rent revenue exceeded budgeted rent revenue by \$736,000. Rent collection exceeded 99% during the second half of the fiscal year.

## **Security**

<u>Closed Circuit Television (CCTV)</u>: As described in prior Annual Reports, HABC has made extensive investments in CCTV to improve public safety and reduce crime. During FY 2009, HABC in collaboration with the Baltimore City Police Department (BCPD) installed 7 additional

CCTV cameras in its mixed population buildings as a prototype in 7 elevators. In addition, it is exploring the installation of cameras within various parking lots. Since its inception, HABC has installed 245 interior CCTV cameras at 19 high-rise mixed population buildings and 167 exterior CCTV cameras to record and monitor criminal activity. In addition to the fixed CCTV cameras, there are 14 PODSS. In FY 2009, HABC renewed its maintenance agreements for all cameras and HABC's central monitoring location at the PMJ Building (MLK) was closed so that all of HABC's family site monitoring is now done at BCPD's CCTV facility.

<u>Lease Enforcement Unit:</u> HABC established a Lease Enforcement Unit (LEU) in January 2005 within the Office of Legal Affairs (OLA). LEU is comprised of sworn police officers who investigate criminal activity involving residents of public housing to determine whether a crime related lease violation has occurred.

During FY 2009, as a result of referrals from the Baltimore City Police Department ("BPD"), LEU investigated 968 police reported incidents of crime. Subsequent legal action by OLA resulted in 424 final outcomes, including evictions, voluntary move-outs, and memoranda of understanding in FY 2009. Additionally, the LEU investigations contributed to HABC obtaining favorable judgments in 97 % of the lease enforcement cases pursued in court.

LEU continues to work closely with the BPD in efforts to provide security for public housing residents. BPD's crime statistics revealed an historic 30% decrease in the number of homicides in the City. That same percentage decrease in homicides is reflected throughout the public housing developments.

BPD and LEU continue to perform building checks at HABC's mixed population developments, consisting of vertical patrols and interaction with residents to establish better relationships with the police department and LEU. Additionally, LEU has conducted crime prevention awareness meetings at housing developments to inform residents of ways to avoid becoming a crime victim. LEU continues work in partnership with Housing Operations staff, residents, and BPD to identify and implement strategies designed to improve security in public housing.

Building Monitors (Mixed-Population Developments): HABC employed over 100 building monitors and supervisors to provide 24-hour, seven days a week coverage in the mixed-population buildings during FY 2009. The primary function of these employees is to control access to the buildings. Most incidents threatening the safety and security of residents in the high rises are the result of visitors to the building or unauthorized residents. All residents are issued with a picture identification/access card, which they use to open the doors. The doors are locked 24 hours a day and can only be opened by the monitors, staff, or residents (with their access cards). Building monitors require all visitors to sign in and provide identification when they enter the buildings. This additional safety feature will enhance the ability of the monitors to do their work and increase the safety of the residents. To ensure adequate staffing of these positions, HABC created 36 part-time positions to staff these locations on weekends during FY2009. This allows full-time staff to have a regular Monday to Friday week and will stabilize the work force and provide better service to residents and the buildings.

## **Home Ownership**

HABC strongly supports the expansion of affordable home ownership to public and assisted housing residents but recognizes that steady income of sufficient amount is a pre-requisite to success. HABC's Resident Services Programs will continue to assist those residents whose aspirations include homeownership to achieve economic success, while the Baltimore Housing Office of Homeownership can provide pathways to ownership.

Even though stricter guidelines imposed by lenders have reduced the number of participants who are eligible to purchase a home, HABC continues to expand its efforts to assist public housing residents to become homeowners. HABC's goal in FY 2009 was to assist two (2) families to achieve homeownership under its Section 32 Homeownership Plan; however, continuing uncertainty regarding the housing market and availability of mortgages impacted this goal. HABC is currently screening public housing residents who reside in its Scattered Sites for program eligibility. In this way a ready pool of residents will be able to take advantage of the opportunity under the Section 32 Homeownership Program.

Information on the Housing Choice Voucher Homeownership Program can be found in Section VIII of this report.

## VIII. Management Information: Leased Housing

The following is a description of major activities and accomplishments for FY 2009 related to HABC's leased housing programs.

#### **HCVP Voucher Utilization**

Table 8-1 provides a comparison of HABC's Housing Choice Voucher Program occupancy by program type from FY 2008 to FY 2009. It also notes targets established in the MTW Annual Plan.

**Table 8-1 HCVP Target vs. Actual Utilization** 

	June 2008	June 2009	
Program Type	Actual	Target	Actual
HCVP Tenant-Based	8733	9565	9413
HCVP Project-Based	713	775	806
HCVP Moderate Rehab Program	361	370	364
Bailey Tenant-Based	298	545	677
Bailey Project-Based	18	115	30
Total	10,123	11,370	11,290
Thompson Tenant-Based*	1031	1203	1169
Thompson Project-Based*	52	66	96
Substantial Rehab/New Construction**	725	767	767
Total All	11,931	13,406	13,322

#### **HCVP Voucher Utilization: Variance**

Overall, the number of households served through the HCV Program increased by 1,391 (11.7%) over the course of the fiscal year. Excluding Thompson Consent Decree and Substantial/Rehab programs, HABC increased the number of households served by 1,167 (11.5%) in FY 09 (1167 additional families), and reached 99.3% of its FY2009 goal.

In FY 2009, the number of units leased under the Thompson Partial Consent Decree (tenant and project based) increased by 182 units (16.8%) over the FY 2008 level.

## **Annual Inspections**

In response to a HUD audit of unit inspections in FY 2008, HABC has required "zero tolerance" inspections for properties prior to lease up and throughout occupancy. These more stringent inspections have led to an increase in the number of units found in non-compliance with HQS and an increase in the number of move vouchers issued to program participants to find

acceptable housing. Another effect of these more stringent inspections has been an increase in the number of follow-up and initial inspections, creating a heavily increased workload. As shown on HABC exceeded its MTW benchmark of meeting HQS inspection requirements by 2.8%

	Count	%
All Units*	12555	100.00%
Benchmark: Units to meet HQS Inspection Requirements	11927	95.00%
Units meeting HQS Inspection Requirements	12275	97.8%

<sup>\*</sup>Excludes Substantial Rehab and New Construction units

#### **Pre-Contract HQS Inspections**

All new units were inspected and met Housing Quality Standards prior to move-in and HAP Contract execution:

Tenant-Based Program			Pre-Contract Inspections		
New Contracts*	Count	#	%		
New Participants	1605	1605	100.00%		
Port-Ins	122	122	100.00%		
Moves	1493	1493	100.00%		
Total	3220	3220	100.00%		

<sup>\*</sup>Excludes Substantial Rehab and New Construction units

#### **HQS Quality Control Inspections**

HABC is required to perform quality control inspections on a number of units based on a HUD proscribed formula. These inspections are for the purpose of insuring that regularly scheduled and pre move-in inspections have been properly performed. The following table indicates the number of quality control inspections required in FY09 and the number actually performed. HABC exceeded the required number of quality control inspections by 34.9%.

Total Units*	12555
QC Inspections Required	83
QC Inspections Performed	112

\*Excludes Substantial Rehab and New Construction units

In all cases, the outcomes of quality control inspections were recorded and, where the outcomes conflicted with the findings of the previous inspections, discrepancies were noted and discussed

with appropriate inspections staff. Remedial actions, including training and counseling, were undertaken and appropriate action was taken to require remediation of any items identified as having failed to meet housing quality standards.

#### **HQS Enforcement**

- Finding safe, sanitary and decent housing in the Baltimore housing market continues to be a challenge given the general age and condition of the rental stock, as does assuring that units occupied by program participants continue to be maintained at an acceptable level. To ensure that this level is maintained, HABC performed over 19,000 inspections of occupied units in FY2009. As a result of HABC's Increased Utilization Initiative, the number of move vouchers issued as a result of failed HQS inspections and activity under the Bailey consent decree and other initiatives, the number of new HAP contracts increased by 15.4% over the FY2008 level in the tenant-based program (2790 new contracts in FY2008; 3220 new contracts in FY2009). To effect this increase, HABC performed more than 7500 pre move-in inspections.
- The Housing Choice Voucher Program continues to work with participating landlords through the Landlord Advisory Committee and periodic General Landlord meetings to find methods to increase landlord awareness of Housing Quality Standards and of the need for properties to be maintained in accordance with these standards, as well as approaches to assure compliance.
- HAP payments for any unit failing follow-up inspection were abated until the unit was brought into compliance. Program participants were issued move vouchers if they resided in units failing HQS. As of the end of June 2009, payments on 507 units were suppressed for owner non-compliance with HQS. In FY 09, 6282 monthly housing assistance payments were suppressed due to non-compliance with HQS, an average of 524 payments per month.
- HABC is reviewing the entire inspection process as well as developing its own comprehensive housing quality standards to offset the lack of such national guidelines.

## **Housing Choice Voucher Program Web Page**

HABC continues to provide program information to applicants, participants and participating landlords through the **BaltimoreHousing.org** web page.

#### **Rent Reasonableness**

HABC may not enter into agreements to subsidize rents of Housing Choice Voucher Program participants unless those rents are considered reasonable, i.e. consistent with rents charged for unassisted units of the same type, amenities and size in the same or similar neighborhoods.

HABC certifies that, prior to entering into HAP contracts and prior to granting rent increases, a rent reasonableness test is performed and that approved rents fall within HABC's payment standards and appropriate rents for similar housing in the same or similar neighborhoods.

In November 2007 HABC started using a commercially available rent reasonableness system (Nan McKay/GOSection8) that generates and maintains an appropriately sized, up-to-date database of market-based comparable units in the subject market area; provides the analytical tools to analyze rent requests; and provides outcomes and supportable documentation which meet HUD rent reasonableness requirements. The system searches the database of units within HABC's jurisdiction and identifies potential comparable units using all nine of the factors that HUD requires a PHA to take into consideration when performing a Rent Reasonableness certification: location; quality; size; unit type; age; amenities; housing services; maintenance and utilities (paid by owner or paid by tenant). Adjustments between subject unit and comparables are autogenerated to create an appropriate, supportable reasonable rent. The system has been of great benefit in determining reasonable rents during this period of increased rent-ups and in providing rational, justifiable rent offers to participating and potential landlords.

## **HCVP Participant Initiatives**

In FY2009 HABC continued a number of initiatives to increase overall program participation and to serve special needs populations:

- Increased Utilization Initiative: Starting in August 2007 HABC implemented this
  program to increase overall participation in the voucher program by 1700 additional
  families. To reach this goal and to overcome the effects of participant attrition, HABC
  will actually be required to enter into contracts on behalf of 3000 or more new
  participants.
- HABC increased the number of Housing Choice Vouchers set-aside for issuance to families with children with elevated blood lead levels as determined and referred by the Baltimore City Health Department, the Maryland Department of the Environment or other appropriate agencies or their agents from the original level of 75 to a maximum of 200. As of June 2009, 93 families were being provided housing assistance under this program.
- HABC has increased the number of vouchers set aside for issuance to eligible chronically homeless households as determined and referred by Baltimore Homeless Services (BHS) from 100 to 500. As of June 2009, 136 households were being provided housing assistance under this program.
- Client Education: While waiting to see their program specialists, applicants and participants may view DVDs on the importance of meeting their family obligations. These DVDs cover basic housekeeping and how to be a good renter.

• In addition, informational handouts are distributed at Reception and during Tenant Briefings. The handouts include information about the Housing Choice Voucher Program, housing search opportunities, as well as the role of the owner and the family.

## **Landlord Participation**

In an effort to recruit new landlords and expand housing opportunities, staff provides offsite presentations to landlord groups. The presentations include a Power Point presentation covering the following topics:

- HCVP General Overview
- The Landlord's Role
- The HAP Contract
- Housing Assistance Payments
- Housing Quality Inspections

The benefits of participating in the program are presented and flyers and brochures are distributed to assist in educating owners about program features.

HABC continues to work with its Landlord Advisory Committee to find ways of improving the program and schedules periodic meetings for all landlords to inform them of various changes.

## **Special Housing Choice Voucher Program**

HABC established a Special HCVP in accordance with the Thompson Partial Consent Decree. During the reporting period, Metropolitan Baltimore Quadel (MBQ) continued to implement the tenant based, project based and homeownership components of the Special Mobility Housing Choice Voucher Program (the Program) and to administer all vouchers issued to Program participants. The Special HCVP tenant-based vouchers, project based units, and homeownership units must be used and located in Non-Impacted Areas, which are census tracts in the Baltimore metropolitan area with low percentages of poverty, African Americans and assisted housing.

The Thompson partial consent decree provides for the creation of 646 project-based voucher units in Non-Impacted Areas. From the beginning of the program through June 30, 2009, 308 project-based units have been created. However, a number of the owners discontinued their participation so the actual number of project based voucher units currently under lease as of June 30, 2009 was 94.

The Thompson partial consent decree also provides for HUD to issue 1342 special vouchers to be used in Non-Impacted Areas by participants in a Special Mobility Housing Choice Voucher Program established pursuant to the Thompson partial consent decree. From the beginning of the program through June 30, 2009, 1109 participants in the Program had leased using one of the 1342 vouchers. However, the actual number of tenant-based vouchers under lease as of June 30, 2009 was 1152 because families living in project based voucher units where the owner discontinued participation moved using a tenant based voucher.

#### Counseling and Housing Search Activities

MBQ held workshops to introduce Program Participants to the basic concepts of mobility counseling and provide them with basic financial literacy training, including an understanding of the importance of budgeting, saving and debt elimination/reduction. At the conclusion of the workshops, Program Participants were assigned to mobility counselors to begin initial counseling and develop Family Plans. As Program Participants progressed through the counseling, they, with the help of their counselors, decided which housing option best suits their needs.

Program Participants were assisted in their search for housing after receiving counseling and achieving the goals set forth in their Family Plans. MBQ showed Program Participants project based units and provided assistance in locating landlords in Non-Impacted Areas who accept tenant based vouchers. In addition, a number of Program Participants found landlords on their own.

#### Actions Taken Under the MTW Agreement

The following actions were implemented under the MTW Agreement by MBQ to facilitate implementation of the Special Mobility Housing Choice Voucher Program under the Thompson Partial Consent Decree:

- Continued implementation of exception payment standards in the Non-Impacted Areas required by the Thompson partial consent decree, which have higher rents, to allow families more options in finding units and to enable IHI to negotiate contracts for Section 8 project based units.
- Continued implementation of bi-annual re-certifications to reduce administrative costs
- Continued implementation of bi-annual HQS inspections;
- Continued payment of incentive payments to landlords of existing units that project base units; landlords receive larger incentive fees if they agree to sign multi-year HAP contracts.

## Homeownership

HABC implements numerous strategies and programs to increase homeownership opportunities for its clients. Such strategies include:

 Housing Choice Voucher Homeownership Program: HABC began implementation of the homeownership option of the Housing Choice Voucher Homeownership Program in FY 2004. The initial offering of the homeownership opportunity was given to current graduates of the Family Self-Sufficiency Program ("FSS"). One hundred fifty-five candidates were contacted.

After the pool of FSS candidates was exhausted beginning in FY 2005, HABC opened the homeownership option to all Housing Choice Voucher income eligible candidates based upon the year they originally leased up on the rental program. An Applicant List was developed from the oldest voucher holder to the newest voucher holder. Due to

changes in the Homeownership Program, HABC updated the Applicant List to determine the level of interest of those who first applied.

In FY 2009 the Homeownership Office received letters of interest from 347 voucher holders, 206 of whom have received preliminary approval for the HCVP Homeownership Program. Orientation for the program was held during the months of November 2008 through May 2009 with 197 of the 206 applicants attending. Seven of the applicants became new homeowners in FY 2009 bringing the current total of participating households in the HCVP Homeownership Program to 35.

Although HABC has not limited the number of families to be assisted each year under the homeownership option, HABC reserves the right to do so in the future.

- Flag House Courts HOPE VI Homeownership: In accordance with the Thompson Partial Consent Decree amendment concerning the redevelopment of Flag House Courts as a HOPE VI site, the East Harbor Community Development Corporation ("EHCDC") conducted extensive outreach to former residents of Flag House Courts, former residents of the other family developments that became HOPE VI sites and current public housing residents regarding the opportunity to purchase one of the 10 new construction homes at Albemarle Square (the HOPE VI site formerly known as Flag House Courts). To enable families to buy these homes, HABC is providing homeownership vouchers and soft second mortgages. Because the new construction homes all have 3 bedrooms and the only former Flag House Courts resident who pursued purchasing a home was eligible for a one bedroom home, HABC assisted him in purchasing a 1 bedroom condominium offsite. The closing took place in August 2008. In addition, during the period July 1, 2008 through June 30, 2009, 3 of the 10 affordable Albemarle Square units were purchased by households displaced by the creation of other HABC HOPE VI sites or by current residents of HABC public housing.
- Thompson Partial Consent Decree Homeownership Program: As of the end of FY 2009, there were a total of 26 participants in the Thompson Partial Consent Decree Homeownership Program, 9 through the direct purchase program and 17 through the Section 8 direct purchase program received vouchers made available by HABC. Participants in both the direct purchase program and the Section 8 direct purchase program received soft second mortgages.

## **IX.** Resident Programs

This section of the MTW Annual Report identifies FY 2009 accomplishments in serving residents through self-sufficiency and support services programs/services. It provides a summary of progress made in modifying existing programs, implementing new initiatives and implementing ongoing programs during FY 2009.

HABC's Office of Resident Services (ORS) coordinates programs and services designed to promote self-sufficiency and improve the overall qualify of life for residents of public housing. As part of the MTW Demonstration, HABC has begun to successfully implement strategies to streamline existing programs/services and to fill critical funding needs and gaps in services. Service delivery has moved away from direct services toward greater service coordination. The Family Self-Sufficiency program structure was revised for great efficiency. A non-profit was started to help obtain additional resources from non-traditional sources.

In FY 2009, HABC secured an additional \$1.1 million in resources for resident service programs, and services were expanded for youth and seniors/disabled residents through increased partnerships and collaborations. These additional resources and partnerships provided HABC the opportunity to provide services to over 6,000 residents during this past fiscal year.

#### **Residents Served**

HABC's resident service programs fall into two categories: 1) Self Sufficiency programs designed to facilitate resident job readiness and access to employment and training opportunities; and, 2) Family Support Service programs that address a wide range of supportive service needs for adults, children and seniors. Tables 9-1 and 9-2 below identify the total number of residents served under the Self Sufficiency Program and Family Support Service Program categories. In all program categories, HABC met or exceeded the projections established in the MTW Annual Plan for the fiscal year.

Table 9-1 Self-Sufficiency Programs/Services

Service/Program Area	FY 2009 Projection	FY 2009 Actual Residents Served
Family Self-Sufficiency Program	300	501
Job Training Services	107	197
Employment Readiness, Placement and Retention		
Services	1434	1557
Resident Training & Technical Assistance	75	75
TOTALS	1916	2330

Table 9-2
Family Support Services/Programs

Service/Program Area	FY 2009 Projection	FY 2009 Actual Residents Served
Crisis Intervention/Service Coordination	2500	2502
Child Daycare Program	150	239
Our House Family Support Center	200	262
Pre & Post Occupancy Program	750	750
Community Building Initiative	275	394
TOTALS	3875	4147

### **New and Revised Resident Service Program Initiatives**

The following is a summary of progress made revising existing programs and implementing new initiatives during FY 2009.

#### **Family Self-Sufficiency Program**

The Family Self-Sufficiency Program (FSSP) is a HUD mandated program designed to assist Housing Choice Voucher Program (HCVP) residents in achieving economic independence, self-sufficiency and homeownership through case management services and financial savings (escrow accounts) linked to residents' rent payments. The HABC ORS proposed to utilize its MTW program flexibility to restructure its FSSP in year one of the MTW Demonstration in an effort to increase overall program effectiveness and improve success rates among FSS participants. The overall multi-year FSSP goal is to graduate 325 participants and have them achieve their goals related to homeownership and/or unsubsidized living.

The newly revised structure for the FSS program was fully implemented beginning in year three of the MTW program (FY 2008). The goals for FY 2009 were to: serve a minimum of 300 families; to continue to serve the existing FSSP participants using the newly designed program structure; and, to graduate a minimum of 45 participants. These goals were all met or exceeded. In FY 2009, the FSSP served 501 residents using the newly designed program structure and graduated 46 FSSP participants. To date under the MTW Demonstration, 220 residents have graduated from the program with an average escrow check of \$3,523.

#### **Community Service Requirement**

The Quality Housing and Work Responsibility Act (QWHRA) enacted in 1998 required all non-exempted adult residents of public housing to perform eight (8) hours per month of community service for a total of 96 hours per year. The overall goals of HABC's community service program are to promote civic/personal responsibility, social wellness and exposure to pro-social activities and self-sufficiency opportunities for public housing residents. Utilizing its MTW program flexibility, HABC planned to restructure the community service program to ensure maximum levels of resident participation and effective monitoring by HABC staff. HABC

proposed primarily to revise its existing policy to expand program exemptions to include residents acting in a leadership capacity. Procedures were also to be developed for better program tracking and monitoring which did not require statutory or regulatory change.

However, in early 2009, HABC was notified by HUD that the proposed program structure was not approvable due to statutory restrictions. For FY 2009 HABC proposed to continue to screen new and existing residents to determine their exempt status; distribute the resource guide; and effectively track resident compliance. Given recent developments, HABC is reviewing current processes and procedures to ensure conformance with relevant statutes and the MTW Agreement. New and existing residents continue to be screened and implementation of the data base for tracking resident participation and compliance is now fully operational.

#### **Pre & Post Occupancy Program**

The Pre & Post Occupancy Program (POP) was developed to assist new and existing public housing residents with: understanding their responsibilities as they apply to the lease; complying with the community service requirement; maintaining their unit; and, knowing the resources and programs that exist within their communities and the city of Baltimore as a whole. New public housing residents and existing public housing residents who have violated their lease, and/or are at risk for eviction, attend the *Occupancy Training Class*.

As part of the MTW Demonstration, the POP became a mandatory component of occupancy for all residents. The goals of the POP during FY 2009 were to serve 750 residents; to continue to evaluate program effectiveness and to make revisions based on those evaluations. HABC successfully implemented these goals. POP training was provided to 750 residents. An evaluation instrument was implemented to obtain feedback for Housing Operations Managers. The results indicated managers believe that POP has helped new residents to improve their understanding of lease requirements, maintenance department procedures and Resident Services Programs. Ongoing evaluation from the training participants continues to be positive with 95% indicating the training sessions provided important information to navigate the system and to adapt to living in public housing communities. No major changes were made to the program structure.

#### **Building Communities Initiative**

The Building Communities Initiative (BCI) is a new initiative developed by HABC to address the growing challenge of social integration of seniors and residents with disabilities in HABC mixed population developments. The primary goal of the BCI is to foster positive interactions and the development of healthy relationships between these two populations.

The core component of the program is the development of Community Boards at all mixed population developments. The purpose of the Community Boards is to: role model positive interaction and relationship building between the two populations; intervene in, and negotiate, conflicts between the two populations; develop/implement programs and activities which promote safe and friendly living environments for both populations (orange hat crime patrols,

floor monitor safety patrols, community rules development/monitoring, etc.); and, provide service referrals for residents.

The second component under the BCI is the Adopt-A-Senior/Disabled Resident Program (ARP). The purpose of the ARP is to provide companionship and personal care assistance to senior and disabled residents using resident and community volunteers.

The FY 2009 goals for the Community Board component were to: develop a minimum of two (2) new Community Boards and to engage outside organizations to provide ongoing training and technical assistance to those Boards. The goals for the ARP component of the BCI were to: recruit, screen, and enroll and additional thirty (30) program volunteers and facilitate activities for an additional 150 seniors and persons with disabilities.

Two (2) Community Boards were developed. Recruiting residents to serve on the Boards remains an ongoing challenge. A great deal of staff time and attention has been expended to keep the boards operational consistently. To date, there are eight (8) Boards in place: Lakeview Towers, Brentwood Homes, Chase House, Bel-Park Towers, B.E. Mason, J. Van Story Branch, Ellerslie Apartments and Govans Manor. Community Boards are in the planning stages at Primrose Place, Monument East, Rosemont Towers and McCulloh Homes. BCI partners continue to offer support for program development. Training was offered to participants on the dwelling lease, conflict resolution, crisis intervention, and psychiatric support services available through the Psychiatric Crisis in Maryland Unit.

Under the ARP component, HABC achieved the participation goal with 178 residents participating in activities, but fell short of the volunteer goal with the recruitment of 25 volunteers. Due to limited resources, incentives needed to encourage and support ongoing volunteer participation were not available.

#### **Expanded Mixed-Population Activities**

To promote greater social interaction in HABC's mixed populations communities, HABC proposed two initiatives for FY 2009: 1) a city-wide event for seniors/disabled; and, 2) a partnership with Baltimore City Community College (BCCC) to provide on-site life enrichment activities. Both initiatives were successfully implemented.

The city-wide event was HABC's first Black History Month Senior Oratory Contest. Seniors and disabled residents had the opportunity to voice their vast experiences with growing up before, during and after the Civil Rights Movement. The theme of the event was "Living History, Courage, a Journey to Change." Twenty-three (23) residents submitted essays and thirteen (13) contestants were selected to enlighten the crowd with their inspirational speeches. A team of non-partial judges selected three winners. The judges were representatives from various agencies, churches and businesses in the community. Over 150 residents attended this event.

The on-site life skills enrichment activities sponsored in partnership with BCCC were implemented at several sites. However, activities were limited because the grant application to fund the planned activities was not funded. BCCC did provide GED classes and other activities

at a few sites. Alternative resources continue to be explored for program implementation with BCCC at more developments.

#### **Youth Councils**

HABC recognizes the need to promote leadership among its public housing youth. Under MTW, ORS first planned to work with its tenant councils to develop youth councils. The purpose of the youth councils is to provide public housing youth with an opportunity to develop leadership, advocacy, outreach and professional development skills; however, engaging youth in a structured council became a significant challenge in light of limited staff resources. To address this issue in FY 2009, ORS proposed to work with youth in a more informal structure – youth clubs. The youth clubs goals remained similar to the youth council without the formal structure of elected officers. The program overall goals continue to be promoting leadership and social development as well as civic involvement. The goal for FY 2009 was to develop three (3) youth leadership clubs. This goal was achieved through development of clubs at Latrobe Homes, O'Donnell Heights and Perkins Homes.

#### **Expanded Youth Services Activities**

<u>The Boys and Girls Club:</u> In FY 2009, HABC planned to expand services to youth through collaborations and partnerships. In previous years, a partnership with the Boys and Girls Clubs was initiated to bring a variety of leadership programs, life skills and prevention programs, arts and cultural activities and health and fitness awareness to our youth. Clubs were started at two (2) sites. In FY 2009, an additional club was started at Westport/Mt.Winans. Approximately 100 youth participate in these clubs at each site each year.

HABC/RAB Scholarship Program: In FY 2009, HABC proposed to establish a youth scholarship program. With donations from private business, ORS and the Resident Advisory Board established a youth scholarship program called "Rising Stars". The purpose of the scholarship is to encourage academic excellence and foster leadership potential in young people. The Scholarship program provides assistance to public housing and HCVP student seniors planning to enter college. Six \$1,000 scholarships have been awarded to youth to help defray their college expenses.

#### **Beautification Project**

In an effort to beautify HABC developments and promote community involvement, ORS established the HABC Beautification Project. This project offers residents at each site an opportunity to participate in activities that will help maintain their community and promote a sense of pride and ownership. Over the past three (3) years, ten (10) properties participated in the beautification project with awards being provided each year to the top three (3) participants.

The goals for FY 2009 were to: engage all developments in this activity to culminate in an agency-wide competition; continue to engage outside organizations to provide ongoing training

and technical assistance to program participants; and, to facilitate the annual competition awards ceremony. ORS was not able to enroll all developments in the beautification primarily due to limited staff to facilitate this activity. This year one additional development was added for a total of eleven (11) participants – McCulloh Homes. Judging of the projects was completed during the third week of June and prizes were awarded to the three (3) best projects. Judges consisted of representatives from staff, churches and agencies in the community. However, all received certificates for their participation. The Maryland Cooperative Extension Services provided technical support and supplies to the participants.

More intense staff time and greater incentives are needed to enroll communities in this project. Next year, the Beautification Committee will receive assistance from the Parks and People Community Greening Resource Network to support beautification project activities and encourage enrollment. Parks and People will provide information, technical assistance and materials such as seeds, plants and tools. Efforts to identify additional funding sources and forming new partnerships are goals that will continue during the next fiscal year.

#### **Development of a Non-Profit Subsidiary**

As federal funding for self-sufficiency and support services programs continues to decrease, it is critically important for housing authorities to target non-federal sources for funding and to become more creative and aggressive in the area of resource development. To that end, HABC worked to develop a 501(c)3 non-profit subsidiary organization, Resident Services, Inc. (RSI). Through this subsidiary organization, funding and other resources from non-federal sources will be obtained to support and expand self-sufficiency and support program/services for public housing residents in Baltimore City.

With RSI in place, the goals for ORS during FY 2009 were to: begin to restructure program activities to promote greater departmental efficiency and service coordination; continue to develop partnerships and collaborations with all city and state social/human service agencies; and, secure a minimum of \$1,000,000 of funding resulting in additional resources for resident programs and services.

HABC met these goals, including securing an additional \$1,101,394 in resources for program services. RSI, Inc. received its first grant in the amount of \$720,000 from the HUD ROSS program to hire three (3) on-site service coordinators. These additional staff will help fill a critical shortage of on-site staff needed for service coordination and allow for the restructuring of service delivery. In addition, ORS continued its many partnerships with outside agencies. Agreements were renewed with John Hopkins University, Notre Dame College and Coppin State for health education and service support to residents at our mixed population sites. In addition, partnership arrangements continued with the Mayor's Office of Employment Development (MOED) for training support to our residents and the Baltimore City Department of Social Services. ORS staff also represents the department on the Baltimore Workforce Investment Board and uses this opportunity to explore service delivery and other grant opportunities for our residents. Many other organizations and agencies continue to lend support to staff in expanding the service coordination activities for our residents.

## **Ongoing Resident Services Programs/Services**

In addition to the new and revised program initiatives described above, HABC continued, as planned, to implement the following ongoing resident service programs.

#### **Employment and Empowerment Programs**

Job Training: Apprenticeship and Customized Training is coordinated with local agencies and employers to provide residents apprenticeships and other job training opportunities that lead not only to employment but careers. In FY 2009, ORS continued to partner with Sojourner Douglass College to provide customized training in the fields of Geriatric Nursing Assistant (GNA), Phlebotomy and Emergency Technician Assistant. Residents were referred to training opportunities in a number of areas including: construction, Microsoft Office Specialist, early childhood development, and environmental services. In FY 2009, 197 residents were provided training opportunities through these various programs, which exceeded the projected goal of 107 residents served. Funding for additional training opportunities continue to be provided through the HUD ROSS grant.

Employment Readiness, Placement and Retention Services: ORS continued to coordinate and deliver its employment readiness and placement services through the People Accessing Continued Employment (PACE) Program and Career Advancement Solutions (CAS). The PACE Program provides job preparation, job search, job placement and job retention services to residents. PACE Program staff/services are located at five (5) public housing developments. The PACE Program partners with a number of city agencies (e.g., the Mayor's Office of Employment Development and the Baltimore City Department of Social Services). These partnerships are vital to the success of the PACE Program. In FY 2009, the PACE program served a total of 1064 residents in all of the employment service areas.

CAS is a program funded by the Baltimore City Department of Social Services that provides job search and job placement assistance to individuals transitioning into the work world. In FY 2009, CAS provided services to 738 individuals.

#### **Personal Development Services**

<u>Literacy Training</u>: One of the biggest challenges to employment for low-income populations is literacy. ORS continued to provide daytime pre-GED services through our resident operated learning laboratory and Neighborhood Network Centers. Sixty-five (65) residents received pre-GED services at the resident operated learning lab. GED literacy training was offered to 85 residents. Evening classes were also offered for residents who are participating in job training or who are working during the day.

Last year ORS also offered classes in financial literacy to address barriers to money management and fiscal responsibility. The goal for FY 2009 was to provide classes to 150 residents. Financial literacy training was offered to over 200 residents.

Computer Training: ORS continued its partnership with the Johns Hopkins University's Urban Health Institute. Through this partnership the ORS is able to operate the Cybernet Program. This program consists of computer centers located in sixteen (16) mixed populations high-rise buildings, and at the Douglass Homes. The tenant councils of the individual developments manage and monitor these computer labs. HABC continued to provide technical assistance to the tenant councils. The mission of the Cybernet Program is to educate and empower residents to use computers while providing them access to the world through the Internet.

HABC also continued to operate the youth computer centers located at Cherry Hill Homes, O'Donnell Heights and Brooklyn Homes. Both the Cherry Hill and O'Donnell Heights youth centers are a part of a larger Neighborhood Network Center that exists in these communities. HABC operates three (3) centers that continue to provide computer based learning and supportive services to promote resident employment and self-sufficiency. In FY 2009, HABC received funding for an additional Neighborhood Network Center. A fourth center was established at the Westport/Mt.Winans development. Over 500 residents participated in Neighborhood Network Center sponsored activities in FY 2009.

ORS also continued to work with the One Economy Corporation to help residents access computers through a computer loan fund. Eighty-six (86) residents have participated in the computer loan fund. In FY 2009, 14 new applications were received and awaiting approval. Effective March 2009, the Digital Access Loan Fund program was suspended until further notice. One Economy's access to the affordable computers to support this program became limited due to decreasing donations.

In addition, ORS worked with One Economy on continuing the Digital Connectors Program. This program trains and employs youth to promote and support the adoption and use of technology among families and individuals in their respective communities. The youth receive training and service support in the areas of technology instruction, technical support and solutions, digital media, workforce readiness and leadership developments. Successful completers receive a laptop computer. Thirty-four (34) youth have successfully completed this program and been awarded laptop computers.

#### Training and Technical Assistance for Resident Organizations

Training and technical assistance is provided to resident organizations (the HABC Resident Advisory Board and HABC Resident/Tenant Councils) to build their capacity to function as professional community-based organizations and assist them with resource development activities. The goal is to foster the development of highly functioning and capable resident organizations that are not only self-sufficient, but also assists residents within their communities (through program and services) to become self-sufficient. To this end, ORS continued to provide these services, and dedicated staff to coordinate and facilitate training and technical assistance for resident organizations on a full-time basis.

ORS continued to provide technical assistance to residents in leadership training and resource development opportunities. Workshops were held for several developments on grant writing and resource development. Seventy-five residents attended these workshops. Participating in the workshops resulted in ten developments receiving combined grant awards totaling over \$11,100 for services and programs in their communities.

#### **Resident Academy**

In FY 2009, HABC proposed to begin working with the Resident Advisory Board to establish a Resident Academy. The primary goal of the Academy is to provide an institutional framework for building effective leadership and empower more participation from the resident population. Residents will be offered a variety of leadership courses and training to strengthen their leadership skills.

Preliminary planning began for the Resident Academy in FY 2009. A fellowship grant was also submitted for a consultant to work consistently with residents to design and implement this program; however, a response of award has not yet been received. Much of the development of the academy was deferred this year because ORS staff spent considerable time providing technical support to the RAB in implementing a successful fourth Annual National Public Housing Resident Summit. This year the summit was a priority activity for the RAB and considerable time and attention was needed for its success. Over 300 public housing residents from across the country attended this year's Summit. The development of the Academy will continue as a goal in FY 2010.

#### **Family Support Services**

<u>Family Enhancement Services</u>: Counselors, service coordinators and other staff provided services to individuals and families who live in HABC family and Mixed Population developments and rehabilitated housing. These services were provided through a comprehensive case management system that involves assessment and planning for intervention to improve the quality of life for the residents and increase their chances of becoming self-sufficient.

<u>Congregate Housing Program (CHP)</u>: The Congregate Housing program provides services to senior/elderly residents that are designed to keep them out of nursing homes, other elder-care institutions and improve the overall quality of their remaining years. Services that are provided under the CHP include personal care, housekeeping, meals, and case management. ORS continued to provide CHP services at two (2) mixed population developments (Wyman House and Bernard E. Mason). The funding provides services for forty (40) residents. The program serviced at maximum capacity with 40 residents during FY 2009.

<u>Child Daycare Program</u>: The HABC Child Daycare Program (CDP) provides an array of customized childcare services to residents of public housing and the metropolitan area of Baltimore City and is administered by ORS. There are three CDP centers operational. However, a program restructuring continued to promote greater program efficiency. The centers served 239 children in FY 2009.

Our House Family Support Center: The Our House Family Support Center is part of a network of 31 community-based Family Support Centers in Maryland. It is a child-centered family focused program that provides free services to pregnant women and parents with children from birth to age three to help raise healthy children and build productive futures. The focus is on accepting parents where they are, building on individual and family strengths, and in helping families identify and achieve their own goals. The core services were offered both in the home of program participants and within the program center. The program is funded to serve 200 residents; a total of 262 residents were served during FY 2009.

## X. Information Technology

HABC's Information Technology Department oversees all aspects of the agency's computer network, telecommunications systems and other automation initiatives. During FY 2009 the Information Technology Department undertook and/or completed the following initiatives:

#### **The Bailey Consent Decree 504 Database**

The initial 504 database was created in Access; however, it was deemed inadequate as the size of the database and number of users increased. In FY 2008, the database was redesigned in a browser-based application, which is more user-friendly and allows all updates to be made from a central location. The new design also links the database to the MST system and captures real time client and work order information. The new system was installed and placed in production in FY09.

#### Interactive Voice Response (IVR) System

In FY 2009, HABC continued to evaluate options for implementation of an Interactive Voice Response (IVR) System for the Housing Operations Work Order Center. This system will assist in call distribution and call management, while helping to improve customer satisfaction.

#### **Utility Management System**

Another goal for FY 2009 was to fully implement a Utility Management System. This system will give HABC the ability to better maintain and manage utility information relating to public housing properties including utility master and sub metering. HABC users will have the ability to import and process gas, electricity, oil and water billing systems received from utility companies. As of June 30, 2009, the project was 80% complete.

#### Five Year Strategic Plan

HABC intends to develop a five-year strategic plan for information technology resources, which will include HABC's IT, vision, strategic goals, objectives, and action plans. The project is scheduled to start in December 2009.

#### **Housing Management Enterprise System**

During FY 2009 HABC prepared an RFP to replace the current Housing Management Enterprise system. HABC also issued an RFP to contract with a firm to manage the overall project. Proposals are currently under review by an internal evaluation committee. HABC is seeking superior functionality and forward-thinking technology to help streamline daily business processes, support compliance and improve productivity.

# **APPENDIX ONE:** Vacancy Rates by Property

## Appendix One: Planned vs. Actual Vacancy Rates by Property FY 2009

			Actual	Targeted	Actual
Area	Project	Project Name	Adjusted Vac	Adjusted Vac	Adjusted Vac
			% as of	% as of	% as of 6/30/09
FM1	0001	LATROBE HOMES	<b>6/30/08</b> 5.9%	<b>6/30/09</b> 7.5%	2.4%
11411	2-23	MCCULLOH	2.3%	4.9%	0.9%
FM1	0003	PERKINS HOMES	1.4%	2.4%	0.3%
FM1	0005	DOUGLASS HOMES	1.3%	1.8%	0.8%
11111	6-31-32	GILMOR	2.8%	4.4%	2.0%
FM1	08-09	O'DONNELL HEIGHTS	2.0%	1.7%	3.0%
FM1	0010	SOMERSET COURT	0.0%	0.0%	0.0%
	11-12-17	CHERRY HILL	2.0%	2.0%	1.5%
FM1	0013	WESTPORT HOMES	0.0%	0.0%	0.0%
FM1	0014	CLAREMONT HOMES	0.0%	0.0%	0.0%
FM1	0021	BROOKLYN HOMES	4.1%	3.1%	1.6%
FM1	0022	WESTPORT HOMES	0.5%	0.0%	0.0%
FM1	0026	ALBERT SPENCER GARDENS	5.0%	0.0%	0.0%
FM1	0029	MOUNT WINANS	0.0%	9.3%	0.0%
FM1	0034	OSWEGO MALL	8.8%	3.0%	5.7%
FM1	0042	SOMERSET COURT	0.0%	5.0%	3.3%
	33-52	LAKEVIEW	0.0%	1.0%	1.3%
MP1	0039	CLAREMONT HOMES	0.0%	0.0%	0.0%
MP1	0041	WEST TWENTY, THE	0.0%	2.0%	1.2%
MP1	0043	MONUMENT EAST APARTMENTS	0.0%	2.9%	0.6%
MP1	0044	WYMAN HOUSE	0.0%	2.4%	0.6%
MP1	0046	CHASE HOUSE	0.0%	1.6%	0.0%
MP1	0047	GOVANS MANOR	0.5%	1.6%	0.5%
MP1	0051	BERNARD E MASON SR APART	0.4%	2.2%	0.0%
MP1	0053	ELLERSLIE, THE	0.0%	3.4%	0.9%
MP1	0054	BEL -PARK TOWER	0.4%	2.8%	0.0%
MP1	0056	BRENTWOOD, THE	0.7%	1.3%	1.4%
MP1	0070	ROSEMONT TOWER	0.0%	1.5%	2.0%
MP1	0071	PRIMROSE PLACE	0.8%	2.4%	0.8%
MP1	0074	HOLLINS HOUSE	0.0%	2.3%	0.0%
MP1	0075	ALLENDALE, THE	0.0%	0.6%	0.6%
SS		REHAB	0.5%	1.0%	1.7%
	0004	POE HOMES	7.2%	0.0%	3.1%
	0012	ST. AMBROSE	0.0%	0.0%	3.3%
	0201	СНМ	0.0%	0.0%	0.0%
	0101	ARBOR OAKS	3.3%	0.0%	3.5%
	0102	MONASTERY GARDENS APARTM	0.0%	0.0%	0.0%
	0103	MIDTOWN APARTMENTS	0.0%	5.0%	3.2%
	0104	MONTPELIER APARTMENTS	0.0%	0.0%	9.1%
	0105	HILLSIDE PARK	0.0%	3.3%	0.0%
	0106	TERRACES FAMILY TOWNHOUSES	7.4%	3.0%	4.0%
	0107	TERRACES GARDEN COOP	0.0%	0.0%	0.0%
	0108	UPTON APARTMENTS	0.0%	4.3%	30.0%

			Actual	Targeted	Actual
Area	Project	Project Name	Adjusted Vac % as of 6/30/08	Adjusted Vac % as of 6/30/09	Adjusted Vac % as of 6/30/09
	0109	STRICKER STREET	0.0%	0.0%	12.5%
	0110	PLEASANT VIEW GARDENS	0.6%	1.6%	1.0%
	0111	HERITAGE CROSSING	0.0%	0.0%	0.0%
	0112	BROADWAY	0.0%	2.4%	1.2%
	0113	WEST HILLS SQUARE	18.2%	9.1%	0.0%
	0114	ALBEMARLE SQUARE	1.5%	4.6%	0.7%
		HABC TOTAL	1.9%	3.0%	1.3%

## APPENDIX TWO: Board Resolution

## HOUSING AUTHORITY OF BALTIMORE CITY

#### A Resolution Of The Board Of Commissioners Approving The MTW Annual Report For Fiscal Year 2009

WHEREAS, the Housing Authority of Baltimore City ("HABC") and the U.S. Department of Housing and Urban Development ("HUD") entered into an amended and restated Moving to Work Agreement dated December 24 2008 (the "MTW Agreement"), setting forth the terms under which HABC will participate as an MTW housing authority; and

WHEREAS, Section VII.A.2. of the MTW Agreement requires HABC to prepare annual reports, comparing the agency's activities with the MTW Annual Plan; and

WHEREAS, the MTW Annual Report must be approved by the Board, and submitted to HUD for review no later than ninety (90) days after the end of HABC's fiscal year; and

WHEREAS, HABC has prepared the Annual Report for FY 2009 in accordance with the requirements of the MTW Agreement and HUD guidance and has discussed the report with the Resident Advisory Board.

#### NOW, THEREFORE, BE IT RESOLVED by the HABC Board of Commissioners:

- 1. The MTW Annual Report for FY 2009 is hereby approved.
- The Executive Director is hereby authorized to submit the FY 2009 MTW Annual Report to HUD in accordance with the MTW Agreement.
- 3. The Executive Director, or his designee, is hereby authorized to take any and all appropriate actions, and execute all appropriate documents to carry out this Resolution, consistent with its terms.

PASSED, ADOPTED AND APPROVED this 22 hd day of September 2009.

ATTEST:

Paul T. Graziano
Secretary/Executive Director

Approved as to form and legal sufficiency this 19th day of September, 2009 by:

HABC Office of Legal Affairs